THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

March 20, 1948

WATCH THE JAPS!---VIII

AN EDITORIAL

Can Rationing Work In China?

P. C. C. Fang

America In The Pacific

Peita Student's Ordeal Revealed

CIVIL RIGHTS IN THE US

AN EDITORIAL

VOLUME 109 CNC$50,000 NUMBER 3

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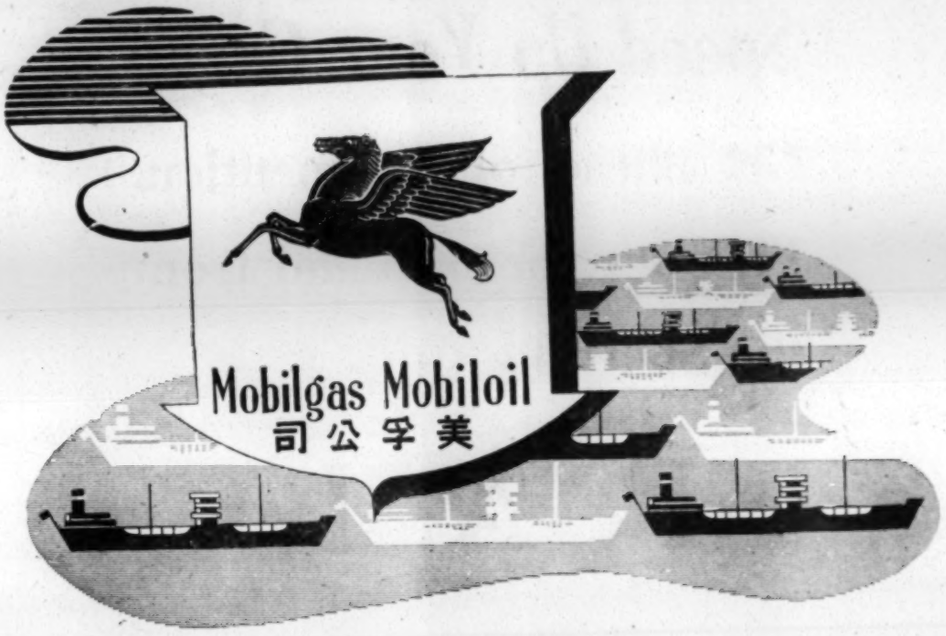

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

No Greater Thief

To The Editor:

The following is a letter to the censors in China and abroad, the greatest robbers of people's liberty of thought, the enemy of mankind. Do please publish it in your esteemed *Review*.

To the Censors:

I have intended to write you for quite a long time, but I think I can do no better than cull an excerpt from a modern thinker, not only because it is exactly after my heart, but because it is so invaluable that it should not be overlooked. I can assure you that you will benefit if you read it intelligently.

I hate censors and all agencies and forms of government that try to control our thought. I cannot but believe that such a censor or such a ruler is willfully or unintentionally insulting human intelligence. If the liberty of thought is the highest activity of the human mind, then the suppression of that liberty must be the most degrading to us as human beings. Euripides defined the slave as a man who has lost his liberty of thought or opinion. Every autocracy is a factory for turning out gorgeous Euripidean slaves. Don't we have fine examples of them, East and West, in the 20th century and at the very home of culture? Every autocratic government, no matter in what form, therefore, is in intellectual retrograde. We have seen it in the Middle Ages in general, and in the Spanish Inquisition in particular. Short-sighted politicians or clergymen may think that uniformity of belief and thought contributes toward peace and order, but historically the consequence is always depressing and degrading to the human character. Such autocrats must have a great contempt for the people in general when they do not confine themselves to ordering a nation's external conduct, but proceed also to regiment the people's inner thoughts and beliefs. They have a naive assurance that human minds will put up with this uniformity and that they will like or dislike a book or a concerto or a moving picture exactly as the official propagandist or chief of publicity bureau tells them to. Every autocratic government has tried to confuse literature with propaganda, art with politics, anthropology with patriotism, and religion with worship of the living ruler.

It simply can't be done, and if the controllers of thought go too far in running against human nature itself, they are thereby sowing the seeds of their downfall. As Mencius put it, 'If the ruler considers the people as blades of grass, then the people will consider their ruler as a robber or enemy.' THERE IS NO GREATER ROBBER IN THIS WORLD THAN HE WHO ROBS US OF OUR LIBERTY OF THOUGHT. Deprived of that, we might as well go down on all fours, call the whole biped experiment of walking on two legs a mistake, and revert to our earlier posture of at least some 30,000 years ago. In Mencian terms, therefore, the people will resent this robber as much as the latter despises the people, and exactly in the same proportion. The more the robber takes away, the more the people hate him. And as nothing is so precious and personal and intimate as our intel-

THE CHINA WEEKLY REVIEW

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(Editor & Publisher, 1918-1947)

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Hongkong and Macao (airmail)	950,000	1,850,000
	6 months	*1 year*
U.S.A. and other Foreign Countries	US$5.00	US$9.00

Price per copy: CNC$50,000

All mail rates are subject to change in accordance with postal changes.

Cable Address: "Reviewing" Shanghai **Telephone: 14772**

PUBLISHED AT 160 CHUNG CHENG ROAD (EASTERN), SHANGHAI (O), CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE, U.S.A. REGISTERED AT THE CHINESE POST OFFICE AS A NEWSPAPER FOR TRANSMISSION WITH SPECIAL MARKS PRIVILEGES IN CHINA.

Contents of previous issues of The China Weekly Review may be found in the "International Index of Periodicals," copies of which are on file in most standard libraries.

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lectual, moral or religious beliefs, no greater hatred can be aroused in us than by the man who deprives us of the right to believe what we believe. But such short-sighted stupidity is natural in an autocrat, because I believe such autocrats are always intellectually retrograde. And the resilience of human character and unconquerable liberty of the human conscience always spring back and hit the autocratic ruler with a vengeance.

I hope I am not throwing pearls before the swines. Amen!

LUKE.

Kaifeng, Honan,
March 5, 1948.

New Spring: Old Hope

To The Editor:

"The arrival of spring brings new life to the world," is a popular Chinese proverb. Spring has arrived, but the "new life" seems to have been lost on the way. Actually, the Chinese lao pai hsing doesn't yearn much for a new life; with his lot becoming more and more difficult because of Civil War and internal corruption, he would settle quite happily for a return of the good old peaceful days.

The people pray heartily for the end of the internal strife, for the war has destroyed their homes, sacrificed the lives of their sons and husbands, and deprived them of the right of living. They realize that no matter how long the Civil War continues, neither the Nationalists nor the Communists can win the war.

Today is the people's age and the Government should carry out a policy based on the welfare of the people. Our Constitution was put into effect last December 25, but unfortunately, the people's basic freedoms, such as the freedom of speech and of the press, are very limited. The suppression by the Government of the student strikes and demonstrations during the last year still remains vivid in our minds. We have been informed that in North China, Manchuria, and some rural districts of the country, the local government and military units consider the people's lives as straw. They arrest and sentence innocent people as they wish and destroy or confiscate the people's property whenever they like.

Not long ago the general election was a challenge to democracy. The candidates supported by the people, but not nominated by the Government, were declared ineligible by the authorities. But those unknown to the electors were appointed as representatives to the National Assembly and members of the Legislative Yuan. It is no wonder that in the Chinese political dictionary, the words "election" and "appointment" mean the same thing, the slight difference being that "election" requires money and "appointment," strong background. A high official told me that the Government should try every means to manipulate or control the elections in order to gain American dollars and military support. What a ridiculous excuse this is! It is not wrong to say that democracy in China, like a wolf wearing sheep's clothing, is merely a matter of window dressing. China requires US assistance, but the prerequisite of gaining it, is securing stability and unity within China. Though US$570,000,000 aid to China has already been proposed by President Harry Truman, we still agree with Mr. Marshall in that unless the Chinese Government eliminates its corrupt and incompetent elements, any kind of aid will serve no useful purpose. Furthermore, the Chinese people strongly oppose military supplies to China, as they only serve to prolong the war.

Following are reforms needed by the Chinese people:

1. The curbing of inflation. The Government should adopt an effective plan to control commodity prices. Circulation of big notes should be ceased and every means to reform the currency should be employed.

2. Production should be encouraged. The Government should first make large loans to private businesses and peasants to make the production of raw materials and industrial commodities counterbalanced. Second, the Government should endeavor to restore the communication lines so that the products of large cities may be exchanged.

3. Corruption, nepotism and incompetence should be abolished. The way to stop corruption and incompetence is to stop nepotism.

4. Taxes should be decreased. The Government should adopt a clear-cut tax system to lighten the people's burden.

We have thousands of aims that the Government has yet to accomplish. The Chinese people should decide themselves before it is too late.

JOSEPH I. C. LUAN.

Tsinan,
March 7, 1948.

Teacher Wanted

To The Editor:

I entirely agree with Mr. Chia's views on studying English as expressed in his letter in the January 31 issue of the *Review*. I hope you will do me the favor of introducing me to some English or American people living in Foochow. My address:

福州閩元路福業里一號張甲陸

L CHANG.

Foochow, Fukien,
March 3, 1948.

Ravaged Lanfeng

To The Editor:

My native town is Lanfeng in Honan, 90 li east from Kaifeng, known as an important route for the Communists' coming and going from Shantung to South Honan. After VJ Day, it soon became the battlefield between the KMT and CP, and up to the present, it has already been ravaged four times. People there have suffered bitterly from the constant fear of the close fighting and the hunger created by the cruel see-saw war.

A few days ago, a friend of mine fled from there and he states that the recent fall of the city caused great destruction and many casualties to innocent people. Parts of their war-torn buildings were ruined by the bombings and a great many of their belongings were robbed. The so-called "local palu" were especially brutal, as they forced the lao pai hsing to give up all of their property and took the little food and precious things which they had hidden under the ground for emergency use. The Nationalist troops, however, were also no good, my informant remarked. They had not the least pity for the wretched people and levied heavy taxes on the latter after the departure of the Communists. They even beat the people and forced them to join the Army.

Now the majority of the people in Lanfeng, homeless and hungry, are leading an unbearable life. Everyday they can hardly find food enough for even one meal, consisting of kaoliang flour, millet and other miscellaneous grains. How can they tide over the coming calamity—Spring famine? It seems to me there is no other road than that of death for the people there, unless immediate relief is sent and the fraticidal strife comes to an end.

LEE WEN-CHANG.

Kaifeng, Honan,
March 3, 1948.

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Warning From H'kong

To The Editor:

Young Shing-sen's letter in your *Review's* February 21 issue is defaming too many great men nowadays. I therefore repudiate the charges one by one. Peter Sin, our good solicitor, is now one of the Kuomintang's defending lawyers. As the Kuomintang is the ruling party of China, whatever Peter Sin did in the Japanese days should be pardoned. The Hon. M. K. Lo is one of the most important men in the Colony. He holds all the pivotal jobs and takes his duties seriously. No one can call him a collaborator since he was given an O.B.E. He is moreover a director of the San Min Chu I school. Long You has already disclaimed that he ever removed personally the Statue of Queen Victoria for the Japs.

By the way how does Young Shing-sen know so much about these collaborationists' activities? They should be forgotten since they have been all forgiven by the authorities. If Young Shing-sen were one of those tortured by the Japanese and is still bitter, he is foolish. He ought to blame himself for his misfortune and bad luck.

I know the Hon. M. K. Lo is a most democratic leader. It is not right to assume that he will persecute anybody who criticizes the good councilor. My advice to you, Sir, and your correspondent is that the less you discuss these things, the healthier you will be.

WANG KI.

Hongkong,
March 5, 1948.

Which Profession?

To The Editor:

I am very puzzled by the problem of what profession I should pursue in the future. Some people tell me that one should choose one's career in compliance with one's interest, while others advise me to study what the country needs. It is undeniable that our country is now badly in need of industrial experts and bona fide educators, so-called "anonymous heroes" as lauded by President Chiang in his book, "The Fate of China."

However, I am not interested in these jobs, for, in my opinion, it is entirely beyond the power of any industrialist or scientists to make China modernized and industrialized in the face of the existing situation. Nor can any zealous educator do much good for China's young generation, while educational institutes in this land are practically yamen and political vicissitudes. Still worse is the terrible fact that few experts, even with outstanding records abroad, can get a job in their home country if they have no background in the present government. Also many bona fide teachers and professors are fired because of their outspokenness which is taboo in China today.

I have been thinking of being a newspaperman, for this profession will enable me to do something for my country by painting a real picture of it, which is usually absent in most of the current papers, and voicing the demand of the lao pai hsing. But I am warned by my friends as well as relatives, who say, "Don't run such a risk of your life. Haven't you heard stories of the disappearances of newspapermen?" It is true; the very fact is before my eyes. But then, what way am I to go? Dear Editor, I hope you will kindly direct me out of the abysmal darkness in which I now am.

C.C.Y.

Sian, Shensi,
March 7, 1948.

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A Great Boon

To The Editor:

Perhaps it is too well-known to mention that the *Review* is a champion of justice and that your readers, by reading it, are not only able to keep themselves abreast of the times, but also to know the truth to form their judgment.

The recently published English column is a great boon to Chinese students of English. It gives lessons in different styles of writing, it explains words and expressions which cannot be found in ordinary dictionaries, and it answers questions from readers in such a way that the latter can easily understand. It has been my pleasure to recommend the *Review* whenever and wherever an opportunity presents itself.

Wishing you every further success in your noble undertaking.

A.L.C.

Wenchow,
March 6, 1948.

Teachers' Life

To The Editor:

Our school is located in the countryside, five good miles to the city. In our spare time, we teachers have nothing to do except drink. Though I am not good at it, it nevertheless drives away my daily troubles and helps me relax. At night, we often group together talking and singing. Usually I feel vacant and tedious at heart.

One afternoon we went to the station in Chuichow to meet our vice-president who was on his way to a town nearby on personal business. When we left the station, it rained cats and dogs, thus preventing us from going back to the school that evening. While we were thus delayed, we met a friend of one of our colleagues who was kind enough to take us into his home where we were treated with hospitality. After supper, the host played his violin and some started to dance. They are teachers of music in a middle school. Some of us were intoxicated and talked freely, but we felt very happy that night and did not leave until the next morning. That night impressed me very much, for we teachers of today are just like a group of poor beggars, very seldom enjoying ourselves in that way. Usually we have no money in our pockets and can hardly pay for a meal even in a small dark restaurant.

L.T.W.

Chuichow, Chekiang,
March 7, 1948.

Doctor Wanted

To The Editor:

I was a deaf mute when I was a child. But compared with those genuine deaf people, I am fortunate, for I am now able to hear a little, though my capacity for hearing is far from satisfactory. About five years ago, I consulted a famous doctor in the Paulun Hospital (now Sino-American Hospital). He said that there was something wrong with my nose and recommended me to have an operation. Being eager to get my ears cured, I took his advice. But it proved of no avail. I then attended other famous hospitals in Shanghai; the result was only that I spent more money, wasted more time and suffered more. Of late, my hearing seems to be worse than ever. It grieves me very much. Dear Editor, could you do me the favor of introducing me to a doctor, either foreign or Chinese, who can cure ears?

CHEN YOUNG.

Shanghai,
March 7, 1948.

Greek Terms

To The Editor:

The chief difficulty I have in reading the *Review* is that some of the current terms, usages and expressions therein are Greek to me. And I am pretty sure that a good number of your readers have the same hard nut to crack. It is, therefore, highly gratifying to note that in the recent issue, the *Review's* "English Lesson" has been devoted to explaining expressions that are not familiar to us Chinese readers. I earnestly hope that, in editing the said column, you will continue to give explanations on expressions of that kind to help many of your readers remove a big stumbling-block to a better understanding of the articles in the *Review*.

I suggest that readers be requested to send in the unfamiliar expressions they find in the *Review* so that you may know better which are the least familiar to the average reader and thus deserve treatment.

To close, let me express my indorsement of Mr. P. Y. Ku's idea as advanced in the February 21 issue of your paper, that those discussions, on verb tenses, articles, participles, etc. should be left to grammar books.

H. K.

Sunwoi, Kwangtung,
March 7, 1948.

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Soak The Rich

To The Editor:

China's new budget for the first half of 1948—estimated revenue, CNC$58,000,000,000,000; estimated expenditure, CNC$96,000,000,000,000—has been approved by the Legislative Yuan. According to this budget, the deficit to be covered is CNC$38,000,000,000,000 and the estimated military expenditure for the first six months is CNC$33,000,000,000,000, or 34 percent of the estimated expenditure, which constitutes a terrific drain on China's treasury.

At a time when the bandit suppression campaign is in progress, the economy in China unstable and the Chinese currency continuously depreciating, the Government's expenditure is undoubtedly daily increasing. Therefore the balancing of the budget always causes great anxiety to the Government. The only weapon used in the past to meet the mounting deficit was resorting to the printing press, which has brought hyper-inflation to this country and inflicted heavy sufferings on the people. This time, the Legislative Yuan recommends covering the deficit of the budget for the first half of 1948 by the imposition of a property tax and the abolition of overlapping governmental agencies. The projected new levy on the rich is fixed at CNC$10,000,000,000,000.

For a time, the clamor for the surrender of some Chinese individuals' private assets abroad to the Government attracted wide attention in this country, but it proved to be of no avail after lengthy talks between the Chinese Government and the foreign countries concerned. It was revealed recently by the US that Chinese private assets in America amounted to US$500,000,000. It was also disclosed that since 1945, Chinese private holdings in the US have increased steadily to the extent that even America's gold and silver reserve dwindled by US$600,000,000. The above fully indicates that though the Chinese Government is in poverty, a few privileged Chinese are rich and possess wealth and property abroad.

But it is necessary for the Government to rally all its resources and manpower as China is now engaging in a life and death struggle against the Communist rebels. Therefore its attempt to collect CNC$10,000,000,000,000 from the rich people is laudable. We earnestly hope that the rich will become nationally conscious and make generous contributions for China's revival.

ALFRED WANG.

Nanking,
March 2, 1948.

On Learning English

To The Editor:

Among the courses in most schools, English is probably the foremost subject in which the majority of students are found pitifully lacking in knowledge. Surely, the present social instability contributes in no small degree to such an alarming state in students' academic standards. Yet, as English is but one of the items in school curriculums, we should not expect too much of the students' English attainments. In most middle schools, the curriculum is generally too cumbersome for the average youth to cope with, either mentally or physically; besides, many students have to spend a lot of time in mathematics or physics which are also major courses. English is, after all, a foreign language. It takes time and energy to master it.

It does not follow, however, that we are thus totally powerless to improve the students' English. First of all, the teaching method should be changed. Some teachers are often seen going to class without previous preparation, pick-

ing up any lesson they choose and running over it hastily. They merely give the general idea in the lesson. The students are very rarely asked to explain in return and still much less questioned. Those who have any interest in English voluntarily take down the Chinese equivalents of the new words as put forth by the teacher. Some teachers prefer to use English in their explanation. They believe that by speaking English they can train the student's ear and tongue. But there are a lot of expressions which, unless explained in Chinese, can hardly be understood by the students. Some teachers of English rarely touch upon grammar with the result that while students can explain the lesson pretty well, they are quite at a loss when called upon to construct a sentence, either compound or complex. Over-emphasis on grammar is surely not necessarily much less helpful to the students in their mastery of a language, but certainly a fundamental knowledge is necessary.

In junior middle schools, in addition to spelling and dictation from time to time, recitations should also be called for. That will not only help the students' pronunciation and intonation, but will also enable them to absorb easily and so become familiar with different English expressions, which are oftentimes interestingly odd and mystic as compared with those in Chinese. Cultivation of reading is also very important. Outside reading, therefore, must be constantly assigned so that the students' reading ability may be enhanced. As to spoken English, it should be conducted by a Westerner, for English is after all a foreign language to us Chinese teachers.

Changshu, Kiangsu, March 3, 1948. T. W. LOH.

Careless Journalism

To The Editor:

Your recent addition of "US Magazine Roundup" is most helpful, as is your publication of excerpts from current Chinese and American newspapers. However, I consider that your omission of the dates of publication of the original articles is very careless journalism, to say the least.

1. To know the date of publication gives the reader an opportunity to evaluate the article in terms of important events taking place around the same time.
2. This knowledge is especially true for readers in the interior who possibly depend on your journal for news that they can get nowhere else, and whose copies possibly arrive several weeks later than the date of issue in Shanghai.
3. Students, teachers, and writers who use such excerpts for serious study or reference cannot hope to do accurate work without the actual dates.
4. Most important of all, however, is the impression that you leave in the minds of your readers to whom you are constantly addressing yourself for truth in journalism, etc. Stating the date of each reference shows that in your own practice of journalism you stand for exactness and clarity, which is about the least you could do.

All that I have said above should also, it seems to me, apply to your "News of the Week" if you are interested in having the *Review* used for documentary reference purposes, here and abroad.

I trust that this elementary improvement fits in with your own policies.

ANTI-MA MA FU FU.

Shanghai, March 6, 1948.

Educational Failure

To The Editor:

The terrible phenomena which occurs in most colleges of China is that the students study only for prestige. Nearly each college student will say, "As a collegian I am superior to the other." But he disregards his ignorance both in scholarship and behavior. Most students spend very much time in reciting from their note books and preparing for examinations. Then a good active student becomes a prisoner in the classroom and slave to his marks, by which he is measured and his future determined. It rarely happens that students are devoted eagerly to truth, to the cultivation of character and to the training of ability.

As a result of the present educational system, each student, when leaving college for the world, feels quite at sea. He knows nothing about world affairs and is perplexed as to how to adopt himself to circumstances. Now the crisis confronting the graduates is unemployment, which may be traced to the rural bankruptcy, social depression and internal strife all over China. I think the fundamental factors responsible are the lack of wisdom and deficiency in ability. Strictly speaking, China's education will go from bad to worse unless we make immediate reforms.

V. B. WAKE.

Peiping, March 9, 1948.

Puzzled Parent

To The Editor:

As a business man, I have struggled since my boyhood to attain my present position: the owner of a small shop in this city. And like many a father in China, I put the greatest hope of my life in my son, whom I sent to the Hangchow College two years ago to have the education of which I myself was deprived in my youth. During the past two years, at the end of each term, I received good reports from the school on his studies as well as his academic life. The other day, however, I got a letter from Mr. Baen Lee, President of the College, stating that my son was found present at an illegal meeting held in St. John's University, and asking me to pay more attention to his behavior. Upon inquiring into this matter, I found that my son attended a wedding of one of our relatives on this particular day and that no such meeting had been held that day. I cannot understand why President Lee sent me such a letter.

Yesterday, I called on a friend of mine who has also a daughter in the Hangchow College. To my surprise, he told me that his daughter had been dismissed from the school under the pretext of her poor study record and behavior. So far as I know, however, her average grade was over 70 and she had been elected chairman of her dormitory with the approval of the school authorities. How could her studies and behavior be unsatisfactory to the school?

As Mr. Lee is a famous educator, and Hangchow College a well-known institution, one cannot but wonder at the educator's manner of running his school.

T. Y. F.

Shanghai,
March 3, 1948.

Hard Struggle

To The Editor:

It is very fortunate for me that I am at Wuhan University and able to meet scholars from all parts of China. But in view of the gloomy situation here, I cannot help feeling a little discouraged.

The professors here made an urgent appeal to the Government a month ago, chiefly for better treatment. The four points were: (1) We want to be treated on the same basis as those in the Nanking-Shanghai zone. (2) Goods sold at Government regulated prices ought to be allocated to us, too. (3) Grant us subsidies so our children may be educated. (4) The Ministry of Education should provide medical expenses in case of illness.

After a hard struggle with the Ministry, it was learned that the Executive Yuan has consented to pay professors in accordance with the cost of living index of last December submitted by the Hankow branch of the Central Bank. The other three points have sunk into oblivion. Certainly, it has cast a dark shadow upon the minds of the faculty; few are in a mood for work.

As to the students here, with the skyrocketing of commodity prices, they have a very difficult time; their living allowance can never keep pace with the ever increasing foodstuff prices. Many of them are homeless and penniless as the result of the widespread Civil War. They have twice petitioned the Ministry of Education, calling the latter's attention to the welfare of the students, but up to now no reply has been forthcoming.

As a mater of fact, the Ministry is not entirely to blame. The solution rests with the Civil War which has turned everything into confusion. I earnestly hope that the old saying "Treat the people with consideration and magnanimity," (以不忍人之心行不忍人之政) will receive the special consideration of those who are either directly or indirectly fighting our own brethren.

P.Y.W.

Wuchang, Hupeh,
March 6, 1948.

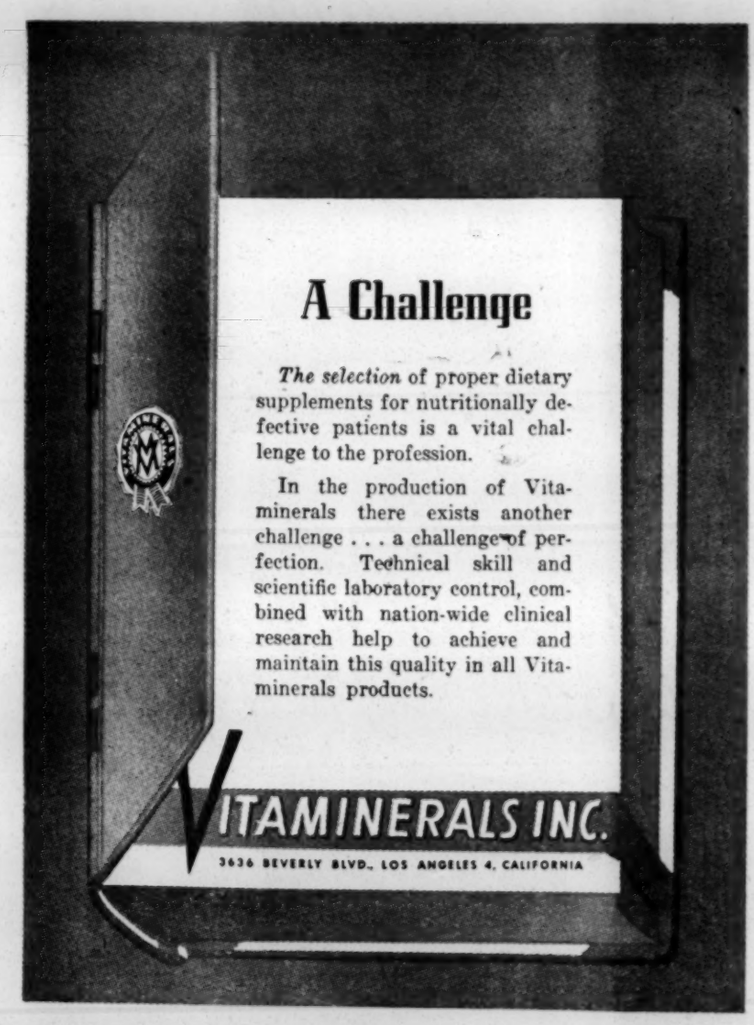
Postal Reform Needed

To The Editor:

After reading Mr. James C. Rip's article in the March 6 issue of your *Review*, I would like to say a few words in this connection on behalf of the public. I think it would be better if Mr. Rip could have told how to remedy the deterioration of the postal service today, as well as how to improve the welfare of its personnel.

Since I retired from the postal service in 1940, I have felt reluctant to visit my former office, though many of my colleagues are still working there; for it would remind me of our former loyal service and make me lament the past. Now things are entirely different. For instance, one day as I went to mail a letter, I found to my surprise that the letter, which was to be registered, was not weighed and had no number slip affixed. The clerk in the post office simply scribbled several figures on the envelope. I could not help worry over the fate of my letter. In Ichang where the air service has been suspended since VJ Day, the delivery of mail to Chungking usually takes seven days or more and to Chengtu, 10 days.

Also it is very inconvenient for one to mail a letter, not to mention remitting money and mailing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parcels. The so-called mobile post-office truck has never visited here. There is only one postal clerk here and he has no postal knowledge. Three months ago I asked him to mail a good diary as a wedding present to one of my students in Chungking. It has never reached him however, and the tracer also has not yet been returned.

Because of the shortage of funds, the Postal Guide has not been printed for 10 years or more.

I hold in high esteem the role Mr. Chao Wen-huan and other men have played for the Postal Labor Union movement, but I hope that they will cooperate with Mr. C. L. Li, Director of the Main Post Office in Shanghai, to ameliorate the postal service soon. It is necessary to restore order from the general counter back to the despatching department.

SAMUEL N. YANG.

Shanghai,
March 9, 1948.

Innocents Red-Capped

To The Editor:

People who have never been in the National University of Chekiang, Hangchow, may be in the dark about the background of the strikes prevailing there. I, just fresh from a university, think it necessary that the true picture he brought before them.

It is known that the universities have been the scenes of underground strife between rival parties, chiefly the KMT and CP and that there are party agents in every school. San Min Chu I Youth Corps' members are serving as the tools of the KMT and the so-called progressive students are acting as the CP's mouthpiece.

Formerly, the Youth Corps, which is affiliated with the KMT openly enlisted members; many students were forced to participate in it and many were attracted by political opportunities and economic support; very few really believed in the Three People's Principles. But now, its activities have gone underground, for the authorities have noticed that it has failed to get the sympathy of the neutral students.

The real Communist agents in the school are not many. It is very difficult to tell who they are, for many progressive students who have no political background act in the same manner, criticizing the Government bitterly. These real partisans join the CP also for political and financial reasons, except some who have been captured by books on Communism and are convinced of it.

The Youth Corps members are no match for the CP agents who have numerous sympathizers with them. Sometimes the former resorts to the roguish measure of indiscriminately blacklisting the progressive students, but such a threat has little effect as the red-caps always fall on the heads of the innocent ones.

Democracy and freedom are catchwords in China. Even in this university, students enjoy no freedom of speech. Bribery and other dirty tricks are also used for winning supporters in the student body's election. One usually can tell the result of the election before it takes place. If you express your opinion candidly in a meeting, you will most likely be hissed down by those who disagree with you and then you will be forced to put on a cap of disgrace.

Universities are institutes for higher learning and university graduates are the future masters of the country. It is very important, therefore, to wipe out party activities in schools, so that the students can really learn something, thus qualifying them to lead the country in the future.

LI TSUNG-RING.

Hangchow, Chekiang,
March 5, 1948.

Shanghai's American Daily—more than "just a newspaper"

During these trying post-war days, the Shanghai Evening Post and Mercury has slipped into a peculiarly intimate place in the minds and hearts of readers. Perhaps that is because it tries in every way to be as human as your best friend. Read it for true straight news, most of it printed at least 15 hours ahead of other Shanghai papers; for outspoken views; for bright touches and entertainment features which will take your mind off your troubles. For the times, subscription rates are low:

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The Shanghai Evening Post and Mercury

19 Chung Cheng Road, Shanghai (13).

Teacher's Appeal

To The Editor:

It is a very deplorable fact that the standard of Chinese students is so low that very few college students can write a Chinese letter well, let alone an English one. This is a great disappointment to many parents who have expected much of their children's education. Many of the parents, then, have come to the conclusion that Chinese school teachers and professors should be held responsible for their children's low standard. This conclusion is, certainly, too superficial and not fair at all; of course, in some way, the teachers are not free from blame.

Actually, it should be attributed to the present miserable condition under which both teachers and students work and study. A quotation from a letter by L.T.R. in the February 7 issue of the *Review* has vividly illustrated a poor teacher's hard life: "I have to do my own laundry, mend my clothes, and possess only one pair of shoes, which is already worn out. I dare not jump or run, to say nothing of playing football...." This picture, actually, is not only limited to one teacher, but represents the general condition of the teachers in China today.

In Hunan, a provincial middle school teacher is paid less than three piculs of husked rice per month and a primary school teacher receives even less than one third of this sum. Worse than this is that they often cannot get their payment on time. With ever skyrocketing commodity prices, they have to worry over their daily rice. Usually, they have to do other work besides teaching in order to keep body and soul together. (A middle school teacher usually teaches 36 hours a week). Thus many mistakes in correcting papers are often left uncorrected. It is often the case that a university professor of Chinese or English goes so far as not to ask the freshmen to write a single composition in a whole semester. I remember that Mr. Stephen Leacock in his well-known article, "Oxford As I See It," describes the American college professor as a busy, hustling person, who may even be asked to step out of the college and take a post as an "executive" in a soap company or an advertising firm. It is unfortunate that this description may, in a sense, apply to most Chinese professors, who seem to be mere amateurs in teaching. Of course, I do not deny that there are still many professors who are teaching earnestly. But how far their enthusiasm can go is really a question.

As it were, it is natural that Chinese teachers always grumble and complain about the hardness of the times, thus affecting the students' mood to study. And it would be foolish to hope teachers to work miracles under the existing conditions unless the Government works out a plan to meet their minimum demands.

I hope that the Government will realize that the solution of problems vital to the livelihood of both teachers and public functionaries deserves as much attention as do military affairs.

CHAO LIAN-CH'ENG.

Linli, Hunan,
March 3, 1948.

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Vol. 109 Shanghai, Saturday, March 20, 1948 No. 3

Watch the Japs! VIII

THE visit to Tokyo of George Keenan, top-notch foreign policy planner of the State Department and trusted adviser to Secretary of State Marshall, has aroused much speculation. Diplomatic quarters in Washington regarded the Keenan mission as "heralding a United States intention to revise drastically its policy toward Japan" by "devoting all its efforts to building up Japan as a bulwark against Soviet expansion in the Far East." It was further reported that the United States has decided to "abandon its Potsdam position calling for punitive action against Japan and instead to seek means of restoring that country to economic prosperity which would enable it to serve as a barrier to Communism in Asia."

Keenan's trip to Japan is highly significant at the present time. As is well-known, he is a strong advocate and supporter of the "get tough with Russia" policy. It has been an open secret for some time that there is a divergence of opinion between the State Department and the army on the Japan problem. According to *UP*, both agreed that Japan should be built up as the workshop of the Orient, but clashed about what kind. It is alleged that Keenan was sent to Tokyo this time to "acquaint General MacArthur with the fact that the State Department has finally come around to the General's way of thinking."

After spending about 10 days in Tokyo making an on-the-spot survey of conditions, Keenan left for Manila on March 10. Although he refused to divulge the findings of his investigation, it was generally felt in Tokyo that he will recommend to Secretary Marshall that the American program to hasten the reconstruction of Japan as a bulwark against Communism be intensified. *UP* reported March 14 from Tokyo:

"....On the basis of the known attitude of General MacArthur and other American leaders it seems certain that he (Keenan) is carrying home the following estimate of the situation. First, there is a crying need for an early economic restoration of Japan where trade is now strangled by policies imposed upon the occupation from Washington and other Allied capitals. The United States must take the lead quickly in building up Japanese economy to a point where it will be self-supporting. Secondly, restoration of Japan must be viewed in the light of restoration of the economy of all Asiatic nations, especially China, with which Japan formerly had the closest economic relations. Thirdly, to restore China it is necessary to end the civil strife in that country and this can be done by extending military assistance to the Nanking Government."

* * *

TO anyone who has followed closely the developments since VJ Day, it is apparent that United States policy with respect to Japan has undergone a basic change.

On May 2, 1946, in announcing the departure of Mr. Pauley for the Far East on reparation matters, Under Secretary of State Acheson particularly stressed that "it is the American objective to support and to promote the unity and the economic development of China and Korea and at the same time to assure that they will be economically independent of Japan."

A year afterward, in a speech delivered on May 8, 1947, Acheson openly told the world that "the fourth thing we must do in the present situation is to push ahead with the reconstruction of these two great workshops of Europe and Asia—Germany and Japan—upon which the ultimate recovery of the two continents so largely depends."

It is a far cry to proceed from promoting "the unity and economic development of China and Korea" to building up Japan as "the workshop of Asia." The distance is that between Potsdam and Washington.

Secretary of the Army Kenneth Royall, in addressing the Commonwealth Club in San Francisco; on January 6, came out in the open for "building in Japan a self-sufficient democracy, strong enough and stable enough to support itself and at the same time to serve as a deterrent against any other totalitarian war threat which might hereafter arise in the Far East." Royall admitted that in the occupation of Japan there has arisen "an inevitable area of conflict between the original concept of broad demilitarization and the new purpose of building a self-supporting economy," citing as an example that the "destruction of synthetic rubber, or shipbuilding or nonferrous metal plants will certainly destroy the war potential of Japan, but such destruction may also adversely affect the peace potential."

Secretary Royall explained that revision in US policy is absolutely necessary in the light of "current development." As a footnote to this explanation, Vance Johnson wrote in the *San Francisco Chronicle* that the major factors behind the changing attitude toward Japan were (1) the growing fear of Russian expansion and (2) disappointment over China's failure to rise as the new post-war industrial giant of the Far East.

* * *

AS part of the plan to rebuild Japanese economy, the Department of the Army recently made public a report by Overseas Consultants Incorporated (better known as the Strike Commit-

CAMPAIGN NOTE

By Bill Mauldin

"I hear MacArthur might come back home an' expose himself to my vote"

tee), in which it is urged that the US junk the present Japanese reparations policy and halt all removals of plants for reparations payments except primary war facilities. The report proposed that reparations claims against the peacetime industrial resources of Japan be cut from the originally fixed 990,033,000 yen of the 1939 value to 172,269,000 yen and that over-all reparations demands be reduced from the original figure of 2,465,920,000 (1939) yen to 1,648,156,000 yen.

The report did not say what it meant by "primary war facilities," but it specifically recommended there should be no more reparation removals whatsoever from Japanese pig iron, steel ingots, sulphuric acid, ball and roller bearings, thermal power, shipping tonnage and shipping repair facilities or aluminum reduction industries and that more than 8,000,000 tons in annual steel production capacity are needed by Japan as against the 3,500,000 tons approved by the Allied nations."

The report significantly argued that "removal of productive facilities which can be effectively used in Japan would hurt world production; would reduce the likelihood of Japan's becoming self-supporting and, in any case, increase the time required to accomplish this objective; would be expensive to the American taxpayer and would not be to the best interests of the claimant nations." Then the report came to the natural conclusion: "A strong industrial Japan would be less dangerous to the peace and prosperity of the Far East than a continuance of the present state of instability and economic maladjustment in this vast and populous region. . . Other Far Eastern countries are in need of industrial equipment and the ultimate decision with respect to reparations should be based on a balancing of needs to obtain optimum benefits for the region as a whole. This can be achieved most surely by leaving Japan free to reconstruct and use as quickly as possible the bulk of her industrial capacity."

It is interesting to note that the Strike Committee used $650,000 of US Government money to prepare this report while the Pauley report, which proposed drastic dismantling of Japan's heavy industries, cost only $35,000.

* * *

THE Japanese are not slow in taking advantage of this new crusade against world Communism to gain their ends. The new Ashida Cabinet is doing its best to suppress democratic forces at home and push ahead with Japanese post-war reconstruction with American assistance under the cloak of fighting Communism.

Immediately after his assumption of office, Ashida stated with great emphasis at a press conference that, "It is my conviction that radical ideologies are inimical to the healthy growth of democracy" and that "in view of the fact that certain elements are exerting baneful influences, abetting labor disputes and causing social unrest and disruption of industry, determined steps will be taken to counter their activities."

Supporting General MacArthur's proposal for a second front against Communism, Ashida stated that the efforts to halt Communism should not be confined to Europe, but should be extended to the Far East. He particularly pointed out that the Japanese are anxious to participate in a second front against Communism because the Japanese have long regarded Russia as a military threat and that the majority of the Japanese people are opposed to Communism.

The present policy of building up Japan to fight Soviet expansion reminds us of the bitter experience of World War I. After the first world war, Britain backed defeated Germany in order to check French expansion. The tragic result was that Britain, as well as France, became victims of the Nazi blitz. Is history repeating itself?

Unnecessary Duplication

WE read with considerable misgivings the announcement in the local press last week that a new court had been established to try criminal cases involving civilians who are charged with serious offences against the interests of the nation during the emergency period. The special court, employing some 100 persons, has been established in Ward Road Jail and operates, it is said, directly under the auspices of the Ministry of Justice. With the exception of students, all those suspected of involvement in the recent riots and other local disturbances will be brought before it.

A further point of interest is the report that there will be no appeal from its judgment, except in the case of the death penalty. The

court is expected to hand down no sentence of less than 10 years, it is said.

While the authorities concerned obviously have their reasons for establishing a new tribunal, Shanghai already has several courts which, according to the laws and Constitution of this country have properly defined functions to try all lawbreakers. It seems to us that setting up a new tribunal is hardly necessary. Perhaps it might be better to increase the staff of the present court system and, if required, increase the strength and activities of the already legally constituted investigating agencies.

A new court, whose very existence may be questioned from a legal point of view, seems a needless duplication which will add only to the confusion and, certainly, to the public payroll.

Civil Rights In US

TRUMAN'S current insistence on pushing his civil rights bill through Congress has set off a series of violent outbursts from southern politicians who are dead set against any attempts to interfere with the long established policy of "white supremacy" maintained in most southern states.

While the basic issue resolves around guaranteeing to the southern Negro such already legally obtained rights as the opportunity to vote, freedom from segregation on public vehicles and in public places, etc., the whole question may snowball into a political crisis for Truman and the Democratic Party in this national election year. Already some congressmen have announced that the southern states—which traditionally turn out a solid block of votes for the Democrats—will bolt the party and not support Truman for re-election. Such a move could well torpedo Truman's chances for a second term in the White House. Although there is at present much speculation about this threatened move, some observers predict that the southern Democrats will return to the fold as they have no place else to go. The Republicans in Congress are giving solid support to Truman's bill, while obviously Henry Wallace and his followers would be certain to favor such a measure, perhaps criticizing the present bill only on the grounds that it does not go far enough.

Leaving aside the current political issues arising from the civil rights bill, the measure itself brings to the fore the whole question of minority rights in America, "the land of the free....." Traditionally, the United States, originally peopled by refugees from political, religious and economic oppression in Europe, has been considered the country of opportunity. The founding fathers, fearing the potential powers of the State to restrict individual freedom, appended the so-called Bill of Rights (the first 10 amendments) to the Consitution a few years after the latter's enactment.

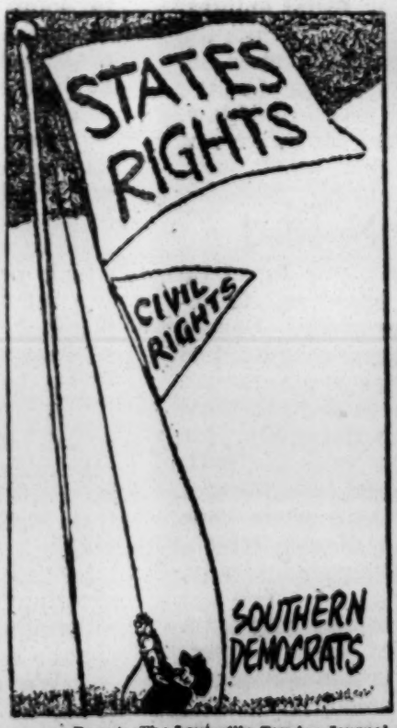
However, in the South—a term which usually designates that section of the country which seceded and thus precipitated the American Civil War—the Negro, originally brought from Africa as a slave, has never succeeded in acquiring the individual rights guaranteed him as a citizen of the United States. Since much of the protection of civil rights is in the hands of state governments, rather than the federal government, Washington has been somewhat handicapped in its attempts to better the condition of the Negro. The southern states are dominated politically and economically by "whites," whole generations of which have grown up with a deep seated prejudice against Negros.

A result of this has been the enactment of various restrictive laws and regulations on the part of state and local governments which result in actual discrimination. The poll tax laws, which most southern states have passed, generally do not specifically prohibit the Negro from voting, but require the payment of a small tax which in theory is to cover the expenses of the election.

The average impoverished southern Negro's ability to pay this tax—which usually becomes cumulative through the years—can be likened to the average Chinese tenant farmer's ability to free himself from years of accumulated debt. He simply cannot do it and thus is forever prohibited from voting.

Other restrictions, which do not even have the "cloak" of legality, are mostly centered around social practice, backed upon occasion by outright intimidation. The Ku Klux Klan, or-

FROM THE SOUTH



Page in The Louisville Courier-Journal
"Political storm warnings."

Duffy in The Baltimore Sun
"Truman, spare that tree."

ganized by unrepentent southerners immediately following the South's defeat in the American Civil War, has since its founding acted as an extra-legal, night-riding organization aimed at terrorizing Negroes and other minority groups into resigned acceptance of their inferior political and economic position. The power of the Klan has waxed and waned, depending upon the times. Latest press reports from America indicate that it is showing signs of spirited revival throughout the South as a result of Truman's civil rights program which would strike at the heart of southern discrimination.

Anyone who grants the correctness of the various sections of the US Constitution dealing with citizens' rights cannot but admit that the constitutional rights of the southern Negro have continuously been abridged since the end of the Civil War. However, all is not bad. Some progress has been made in breaking down the anti-Negro prejudice of southern whites. Admittedly, it has been slow, but nonetheless there has been progress. This fact, it seems to us, is most important in that the only way racial discrimination can be completely eliminated is by enlightened public opinion. Laws may be passed, but as long as a majority of the population in a given area are actively out of sympathy with such laws, they will not be rigidly enforced. Perhaps they could be enforced temporarily by troops, but that would be no solution.

Truman is to be congratulated for insisting upon congressional action on his civil rights bill despite the obvious dangers of defection by some of his political supporters. However, this law will not be enough. Sufficient popular support must be enlisted so that the pressure of American public opinion can be brought to bear upon the southern states. Further, other existing laws must be enforced as strictly as possible, while a general educational campaign for social enlightenment must be directed at the South. While the number of Negro lynchings by mobs may decrease each year—as has been the case for the past few decades—the combined pressure of law, public opinion and an educational campaign are needed.

New Trade Rules Needed

THIS country's economy is deteriorating at an ever increasing rate. The speed and intensity of its money inflation are growing. Dozens of suggestions and plans have been submitted to the Government by various groups and organizations, but almost nothing has been done to ameliorate the situation and to stop the decay.

With regulations, restrictions rules and notifications, the Export-Import Board, the Central Bank and other governmental institutions hope to win their struggle against a disease which, while beyond their control, they, paradoxically, have helped to foster.

With imports forced below the minimum level, with exports by commercial firms hampered, with blackmarket foreign exchange quotations remaining far above the official rates and with huge Government corporations being in such favorable positions as to discriminate against small private traders, the nation's economy is bound to lose ground every month, every week, every day. This is particularly so since some of the Government corporations, obviously designed to stimulate economic activities and to show a profit to the state fail to do either.

Splendid foreign trade results such as shown in the Customs Returns for November and December of 1947 cannot deceive the objective observer. The Returns, for instance, contain large shipments sent abroad on consignment for which no exchange has as yet been received. They further contain huge shipments by Government corporations which are made regardless of whether or not such shipments are profitable.

While it is admitted that in many lines exports for 1947 were above pre-war levels, the main question is: Who were the exporters and who were the exports shipped to?

It is reported that some of the exports to Hongkong have been made, not with a view to actually selling the goods to the British colony, but to make use of the cross rate difference between the dollar and the pound in China and abroad. It is also reported, and from reliable sources, that exports are sometimes made—quite legally—solely as a method of smuggling profits out of the country.

Prices of imported goods, on the other hand, are tremendously high. They are so high—because of the scarcity of goods—that importers, buying dirt cheap foreign exchange at the official rate, are sometimes able to make as much as 1,000 percent profit. Apparently the price does not matter to the Export-Import Board. The Board frequently rejects applications for imports, even of the most essential industrial materials, because its investigators report that market stocks are sufficiently large. Attempts to point out that the imports are destined for direct sale at a reasonable price to industrial consumers who otherwise will be forced to buy at inflated blackmarket prices are often of no avail.

During the second week of March, rumor had it that the Government was planning trade and foreign exchange reforms. Reports carried by news agencies and the local press had already mentioned several changes contemplated, changes which probably would have helped in fighting the inflation. However, no reforms were announced. On the contrary, two Government spokesmen "emphatically" denied that any reforms were being contemplated.

To us it seems high time to be less proud of negative decisions. The prevailing regulations and restrictions have not proved as successful as possible by any means. The Central Bank's open market rates again are unrealistic. The belief that, contrary to all economic theories and experiences, one can avoid growing inflation by forcing imports down and controlling—with the police—the foreign exchange market has proved itself entirely wrong.

We do not advocate a 100 percent free economy. We acknowledge that imports must be limited. But we refuse to believe that any improvements can be achieved under present

conditions. The Government may issue a list of prohibited imports. The Government may also control exports in order to avoid the flight of capital in the guise of genuine trade exports. The Government may even establish a clearing system with appointed banks buying and selling foreign exchange, be it derived from exports—which remain controlled—or from private funds.

There can be no further doubt that a new trade system is needed, or, rather, that trade must be normalized. There can be no doubt that the Government's foreign exchange policy must be reformed. There can be no doubt that the import departments of the Government's mammoth corporations are neither needed nor of any actual use. And there can be no doubt that if the prevailing style of bureaucratic regimentation of China's economy is continued, a complete disaster cannot be avoided. The present system, while not responsible for China's present chaotic condition, certainly does little to stem the tide.

Short Memories

ALTHOUGH it is not yet three years since the end of the European and Asiatic phases of World War II, the memories of many people are very short. They are so short that it is becoming increasingly difficult to tidy up many of the odds and ends of the war which should have been taken care of long ago. There are still large hoards of wealth—most of it acquired illegally by German Nazis and Jap imperialists — which have not been accounted for.

As we have had occasion to point out in the past, the whole question of hidden money is of great interest to the public. The Germans and Japanese were not the first to hide wealth through secret transfers to neutral or friendly countries. Nor were they the first to discover that individuals, even those whose nationality made them "enemies," could be "induced" to hide wealth for a price.

Today, according to a recent *United Press* story from Washington, the US Government's Alien Property Custodian is still hunting for an estimated US$60,000,000 worth of Nazi property hidden in America by American "friends" or agents of the Germans, as well as by neutrals. From Holland, also according to a recent press dispatch, it is reported that Far Eastern buyers are making heavy purchases of stolen gold hidden in that country by the Germans and their quislings. Little by little the Alien Property Custodian in America turns up evidence of another hoard, sometimes only a few thousand dollars, sometimes a considerable sum, and begins taking steps to confiscate it. However, it is a slow process and probably will never uncover all that is thought to be hidden, especially since too many Americans have such short memories and/or have very low moral principles.

While we have been in possession of considerable knowledge about hidden German funds, we have until now very little specific information about similar hoards of wealthy Japanese war criminals, zaibatsu and others. However, according to Willard Thorp, an assistant secretary of state, the US has recently gained knowledge of considerable Japanese, as well as German, holdings in Switzerland and is at present negotiating with the Swiss authorities concerning the disposal of said funds.

It is at times like these that we realize all too well how much we have to pay for a democratic form of government. Any of the various types of authoritarian regimes we have knowledge of would simply grab the money and throw the native or neutral conspirators in jail. While we cannot but regret that we cannot do the same, we well realize that once we inaugurate the dangerous precedent of arbitrary action against others, we can expect it to be used against us later. It is obviously better to operate by our admittedly inefficient and clumsy proceedure than to imitate the methods of those who so recently threatened us. This does not mean, however, that we should close our eyes to what is going on. We should be aware of our own imperfections which often are the basic sources of some of our strength.

While waiting for the pertinent enforcement agencies to catch up with the accomplices of the Germans and Japanese, we all should do our best to aid them, making available any useful information and doing our utmost to bring the pressure of public opinion to bear on those who can help. We should not allow our memories to be so short. It is not vengence that we wish; it is merely the recovery and just use of monies representing loot, extortion and murder on the part of various German and Japanese militarists that we desire.

A Baby Sitter's Life Is Not a Happy One

—Smith, in The Huntington (W. Va.) Advertiser

A Practical Lesson

A REMARK heard so often that it has become almost trite is that one of China's foremost needs is an adequate transportation system. Many an article has been written pointing out that the best thing the Government could do for the rural areas would be to link them to the cities by a series of farm-to-market roads similar to those built in America during the early days of Franklin Roosevelt's administration.

Recently we had occasion to do a little travelling along China's famed Burma Road and were given a practical lesson in the value of such a road to the inhabitants of the area through which it runs. Of course the main importance of this road is that it serves as an overland link between China's almost inaccessible Yunnan Province and the outside world. Over it Indian cotton and Burma rice and a host of imported necessities come to the southwest. Over it—in normal times—would go Chinese exports such as tin and other products of the area. However, today the Road is only fairly busy as an import-export artery as compared with the boom days of the war or as compared with what it might be if there were economic and political stability in China.

While the Burma Road is only moderately busy carrying import-export goods between China and Burma, it is very busy carrying internal cargo. The result is that although the area traversed by the road is a mountainous, poor section of China's frontier, the ease with which native goods are moved from one local producing area to another makes it possible to purchase various kinds of merchandise at relatively reasonable rates. Chinese oranges, always a favorite fruit, make a good example of how the system works. These oranges are raised in greatest profusion near a small town some 200 kilometers down the road from Kunming. In this town they could—a few weeks ago—be bought for approximately CNC$50 each. Trucks passing through the town always stopped and loaded several baskets aboard to peddle at a slightly higher price in towns up and down the highway. By the time the oranges reached Hsiaokwan, an important town about halfway to the Burma border, they retailed for slightly more than three times their purchase price, or from CNC$150 to CNC$200. This was a distance of more than 200 kilometers from the "Orange Town." From Hsiaokwan, however, they were transported by human and animal back up toward the Tibetan border. One day out of Hsiaokwan (about 30 miles) the oranges cost CNC$400. Three days out of Hsiaokwan they were unobtainable since they could not be sold for enough to compensate for the primitive method of transportation.

Similar examples could be cited for other items produced in the various towns. Charcoal, rice, chickens, vegetables, meat, etc., etc., were being carried up and down the road farther and cheaper by truck than ever would be possible by animals or man.

The Burma Road today is a practical example and lesson in that it is visual evidence of what a decent means of transportation can do for even one of China's poorest and most backward areas.

25 Years Ago In The *Weekly Review Of The Far East*

March 17, 1923

American Leadership

A SPECIAL conference authorized at Washington will be held in China.....for the purpose of carrying out the provisions of the Nine Power Treaty dealing with China's tariff....In Peking these days it is pretty hard to find a foreigner or a Chinese official who does not have in his pocket some "plan" for the solution of China's financial difficulties—and incidentally his own at the same time....The US is in a peculiar position to assume leadership in this Special Conference....for the simple reason that America is not and never has been involved in the scramble for Chinese territory or the political dominance over the Chinese people. America has the confidence of the Chinese....and as a result the American viewpoint will carry weight in the application of any plans or schemes adopted at the meeting.

* * *

Investments

SINCE the Washington Conference has made the Open Door in China a fact, and has assured peace in the Pacific for at least 10 years to come, the prospects for the investment of American capital in financial undertakings in the Orient are better than at any time in the past....Chinese capitalists have always been desirous of cooperating with Americans in developing the resources of their country....The Corporations, being American and, therefore, foreign to China, would enjoy freedom from Chinese taxation....

10 Years Ago In *The China Weekly Review*

March 19, 1938

Repeat Performance?

ANSCHLUSS, the long dreamed of union between Austria and Germany, was achieved last week-end in another spectacular Hitler coup that left Europe gasping....the semi-secret conflict came to a head when the Austrian Chancellor, during a speech at Innsbruck, announced that a plebiscite would be held on March 13....Herr Hitler moved before Austria could hold the plebiscite, which observers believe would have resulted in a 60 percent vote in favour of Austrian independence and the policy of Chancellor von Schuschnigg. On March 11 German troops were marching towards the Austrian border....Dr. von Schuschnigg's resignation was announced in a moving speech broadcast to the country. Speaking in solemn tones, vibrant with suppressed emotion, the Chancellor confirmed that he was forced to resign because Herr Hitler had threatened an armed invasion of Austria.

* * *

Divergent Views

Four points of view on America's policy in the Far East ....were discussed....at the panel discussion of the Foreign Policy Association in New York. Although the four speakers, proponents of the various views, differed widely among themselves, they, together with the 1,000 persons who attended the meeting seemed to be in agreement that the Far Eastern policy of the present administration is just about the worst there is....In calling for larger naval armament for the US, Admiral Stirling....warned that "the menace of war might approach because of war-mad nations mistaking our patient diplomacy for symptoms of national cowardice and refuse to estimate how far they can carry their truculent attitude before the people of this country decide to retaliate."

"AMERICA'S FUTURE IN THE PACIFIC"

By John Carter Vincent and others.

(The book reviewed on these pages is a compilation of lectures delivered at the Second Quadrennial Institute, Mayling Soong Foundation, Wellesley College by John Carter Vincent and others. Published by Rutgers University Press, New Brunswick, 1947. pp. 247. US$3.00. Reviewed by B.E.M.)

THE lectures reprinted in this volume were presented originally in the fall of 1946 at the annual institute of the Mayling Soong Foundation at Wellesley College. With the possible exception of the discussion on trusteeship, at which time the United States' position had not yet been determined, the problems are what they were then, and the trends even more unmistakable. The Chinese Civil War still rages, the US-USSR stalemate in Korea persists, differences over the occupation of Japan have deepened, and the dependent peoples throughout the Pacific are not much nearer their goal of self-determination. Through all this runs the question of Russo-American conflict and the extent to which it may affect the normal course of American policy in the Pacific.

These problems are surveyed by 12 ranking authorities on the Far East. The advantage of having this multiple authorship deserves mention. Almost any book that is well thought out and clearly written is persuasive. The reader, unless he has other information to the contrary, tends to follow the author's argument and accept his conclusions.

No Monopoly

Here, there is no such monopoly of ideas. The reader can weigh one analysis against another, and, while he will find them for the most part complementary, certain revealing differences may become apparent. The greatest of these are found in the cases made by persons representing official and non-official viewpoints. The former tend to stress broad policy objectives; the latter speak more frankly of existing conditions and dangers. While it is possible to see that an unfortunate particular instance does not necessarily betoken a bad policy, at the same time it is impossible not to perceive the far too prevalent gap between principle and performance.

This is clearly brought out in the first two chapters, where John Carter Vincent, at that time director of the State Department's Office of Far Eastern Affairs, describes America's Far Eastern policies in relation to its overall national objectives, and Raymond Kennedy, professor of sociology at Yale University, discusses America's interest in the social and political future of Pacific peoples.

Vincent, who is certainly one of America's finest and most progressive statesmen, outlines a policy that few would not endorse. America should use its strength for progress. It should not rely on preservation of the status quo as a measure of defense. In this Far East, promotion of democracy must be supported by measures of economic assistance. Measures taken by the US in the Far East for reasons of security in the past have not brought security, i.e., they did not prevent the last war. Therefore, more positive measures are needed now. General Marshall's mission to attempt to bring about unification in China was, Vincent feels, this kind of positive measure.

Interests Impeded

Kennedy, on the other hand, mentions considerations that may have helped account for the failure of that mission—considerations that Vincent, if he shared realization of them, might not by virtue of his official position feel free to mention publicly. "In China," Kennedy said, "our social and political interests are being impeded by economic and military considerations. We, or rather our statesmen, seem to fear that the greatest dangers to American interests there are the possible establishment of a communistic regime and the possible military aggressiveness of Russia."

Similarly, with regard to Korea, Vincent sketches briefly the content and background of American policy and outlines developments that led to the stalemate in American and Russian negotiations. Kennedy declared that there, "the fear of Russian influence is leading the United States to act in an unexpected and unaccustomed manner. The cause of democracy cannot be permanently advanced by opposing, with military force, a rival system like communism."

Vincent offers the Philippines as an example of US cooperation with an independent state. Kennedy notes that Filipino goodwill toward America has decreased since independence, that American authorities have seemed to favor "the interests of large landowners and other reactionary elements," that the same Filipino guerrillas who fought against Japan are "being suppressed with military force by troops of the Republic who carry American weapons." These and other instances which he names lead him to the conclusion that "our final launching of the Philippine Republic has thus been marred by certain evidences of interference and partiality which have seemed out of character for America."

Equivocal Statement

Going to Indochina and Indonesia, Vincent makes this equivocal statement of American policy: "We recognize the sovereignty of the French and Dutch in those areas but we have also endeavored in appropriate ways to encourage the sovereigns and the dependent peoples to get together in agreements which will permit recovery from the war and at the same time give due consideration to the self-governing aspirations of the Indonesians and Vietnamese."

Kennedy calls these two countries "test cases" of American policy toward dependent peoples. In Indochina, he says, America stood by while British and French troops moved in with lend-leased equipment to quell the independence movement, and sided with the colonial powers to oppose an international investigation. And in Indonesia, he recalls, America's answer to the Indonesian protest over Dutch troops shooting at them from trucks marked "USA" was to order the American insignia removed.

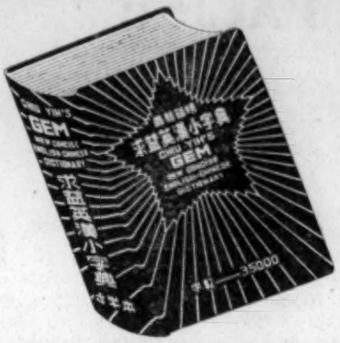
Vincent says the theme of self-government runs through American policy in the Far East. And he notes that this in the long run is to its advantage, since independent peoples contribute more toward international peace and beneficial commercial and cultural interchange. But, he adds, America, in pursuing this course, does not "ignore the position and interests of other states."

Gap Apparent

It is this last consideration, undoubtedly, that moves Kennedy to declare that the gap between American ideals and actions is causing dependent peoples "to look upon us as hypocrites, who brag loudly about freedom and democracy for all nations, but do nothing when put to actual test."

Similar juxtaposition of ideas may be found in other portions of the book. The above illustrations are mentioned not to cast reflection on John Carter Vincent, whose transfer from the Far East scene to Switzerland must have been welcomed, if not engineered, by a reactionary opposition, but to underline the self-evident fact that the official viewpoint does not always tell the whole story. And in these days when official statements flood the newspapers, it is rewarding to have informed and unfettered opinions available for reference and comparison.

Much attention is devoted to dependent areas and trusteeship, and while the speakers' advocacy of UN trusteeship is by this time academic,



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the interpretation they give factors governing American attitude toward the subject is enlightening.

Kennedy declares that American policy on dependent areas "is strongly affected by the recognized sovereignty of our allies in their colonial possessions and by military considerations . . . . American business interests, whose opinions have great weight in the governing circles of this country, generally distrust colonial independence movements....Also we Americans, once a nation of radical revolutionists ourselves, are showing tendencies in our age of wealth and power, toward increasing conservatism on social, economic and political issues....Another very strong influence on our policy comes from the growing fear ....of war with Russia. We are coming to view the nations of the world as either pro- or anti-Russian, potential enemies or allies in the possible conflict. Since colonial revolutionary movements are by very nature radical, we tend to put them on the danger list, and our suspicions have been further aroused by Russia's open support of the cause of colonial freedom."

Rupert Emerson, professor of government at Harvard University, in a chapter on nationalist movements in Southeast Asia, declares that "the public voice of the United States, except for the Government, is heard in frequent denunciations of the imperial powers and their efforts to reestablish something approaching the old colonial status, while the official Government voice is generally conciliatory to the powers that be (or were) and is at best lukewarm toward the aspirations of the subject peoples.... America's official conservatism does not go far enough to endear it to the harassed imperial powers, nor does its unofficial liberal tradition produce enough concrete results to win it the trust of the native nationalists and their supporters in such countries as India, China and the Soviet Union."

Emerson urges a closer reconciliation of the two viewpoints. He neither upholds colonialism nor sees in self-determination a panacea for all the evils of the former. "Fears as to the future of democracy and civil rights, the handling of minorities and the continuance of scientific advance....must be faced frankly," he writes. The time to end tutelage will vary, but it will not necessarily wait for what is "the stage of perfection" according to Western standards.

With regard to American dependencies, Emerson deplores the lack of competent administrative organization. "The Declaration of Independence and the Fourth of July orations," he says, "so firmly fixed the tradition of freedom in the American mind that we have been unwilling or unable to take in the contradictory but stubborn fact that we have become an imperial power ourselves." For this reason both policy and machinery to administer that policy have been relatively unformed and creaky.

The trusteeship question receives competent handling from Ralph J. Bunche, director of the United Nations trusteeship division, who traces the development of the concept of accountability from that of moral responsibility of trading companies, which was often no more than "a race to save the soul of the native before death overtook him from disease or overwork," to individual nations, and, finally, to the mandate system of World War I which provided the basis for the present trusteeship system. He outlines the differences between the latter two (trusteeship applies to any non-self-governing territory, not just surrendered territories) and mentions some of the difficulties involved, such as ambiguous wording in the United Nations Charter, the voluntary nature of the agreement, etc.

Pulls Punches

However, Bunche, like Vincent, has to pull some punches. "Never before in history," he says, "has the international community been so acutely aware of their (dependent people's) problems and of the urgent need for constructive international action on their behalf." Emerson, on the other hand, declares that "both the Charter and the actions of the imperial powers were....in striking keeping with the reticence of the Allied statesmen during the war in squaring their general and frequent professions of love for freedom with the issues confronting them in the colonial world."

The need for collective action and for the progress of dependent peoples, however, is recognized in chapters dealing with America's economic and security policy in the Pacific.

C. V. Remer, professor of economics at the University of Michigan, looks for a way in which American investment in the Far East may be profitable to both the United States and the Asiatic countries. Granted that economic means must be provided if these countries are to develop, how should it be done? He recalls a Mexican saying that what is desired of the American businessman is that "he should teach and retire." Loans to governments he rejects, therefore, as not being adapted for necessary technical supervision. Direct investment, on the other hand, lends itself to charges of "colonial" and "imperialistic" designs while not necessarily providing the needed technical training. Remer suggests a modification of the latter system, preferably through action that would set up an "international code" governing international investment.

On the subject of security, Felix M. Keesing, professor of anthropology at Stanford University, advocates UN trusteeship for American island possessions with "all necessary safeguards to United States interests" and the "fullest degree of internal political autonomy consistent with the larger national interests."

American Security

Grayson Kirk, professor of international relations at Columbia University, feels that American security in the Pacific "will be achieved more by political means than by military might." Voicing his concern over the present trend of "bi-polarity," under which he fears the United States may feel obliged to support Britain and France to maintain their national strength in the Pacific at the expense of political autonomy for subject peoples, he says: "There is a grave danger that the United States may take policy decisions of a technical military character without adequately considering the long-range political problems involved....The technical military steps taken to provide insurance against future contingencies may, through their political repercussions, produce precisely the contingencies which they were designed to guard against."

In comparison with the rest, Sir Carl Berendsen, the New Zealand minister to the United States, contributes a fairly light-weight chapter on new security problems in the Pacific, pointing out, quite rightly, that peace in the Pacific cannot be achieved without peace in the rest of the world, that more economic justice will have to be obtained, and that the path of rectitude must be followed. What rectitude consists of, and on what it depends, he does not specify.

A. A. Berle, Jr., former assistant Secretary of State, who discusses the formulation and implementation of American foreign policy, presents a defense of what was to be, six months later, the Truman doctrine,

and he urges an aggressive economic policy to support it—"through the United Nations so far as possible, but to be undertaken in any case." To fail to stand up to Russia, he says, would be to repeat the mistake of Munich. Then, in a flourishing finish, he declares that the US and "most other countries" are attempting to establish foreign affairs and foreign policy on a "new basis"—that of "the rights of peoples, as distinct from the rights of sovereign governments."

David Nelson Rowe, associate professor of international relations at Yale University, in a chapter on the interest of Britain in Pacific security, doubts whether Americans understand "the natural apprehensions among small or weak powers which must have resulted from the creation of a massive armed striking power by the US during the past war" or that what Americans "think of as a defensive weapon must appear to others as potentially a means of coercion." According to Rowe, Britain feels her best safeguard in the Pacific is the "evolution of a general system for the preservation of security, in which Japan may achieve security through the agreement of a group of powers as a whole, backed up by positive means of enforcement." Otherwise, "Japan is bound to trade her alliance value" and it is to Britain's interest that Japan "should not become the special ally of any great power." The domination of Korea by any one great power "would be the surest guarantee of a rapid resurgence of militarism in Japan" and it is therefore to Britain's interest that Korea become independent, with its security "guaranteed by a general agreement of the interested powers."

Assistance Welcomed

"Yong-jeung Kim, president of the Korean Affairs Institute, likewise declares pointedly that while Korea welcomes American and Soviet "friendly assistance," it does not want to become anybody's satellite.

Russia as a factor in Pacific security is discussed by Vera Micheles Dean, research director of the Foreign Policy Association. Miss Dean, who can apply the historian's approach to very current affairs, outlines the early competition between Russia and Japan over their relative strength in Asia, compares the present Russian status in the Far East with that of 1904-05, before the Russo-Japanese war, and concludes that the rights granted the Soviet Union by China are "much more limited than those possessed by Tsarist Russia."

Miss Dean also throws light on the Soviet removal of industrial material from Manchuria at the war's end, in which she says Russia was motivated "less by a desire to claim war booty or even to use this materials in its own plants, as by fear that the Chinese Central Government, possibly with the aid of the United States, would utilize Japanese-built industries, left intact by the war, to create a powerful base for future operations against the USSR."

The controversy over Manchuria was merely one "symptom of the uneasiness that developed between the US and Russia in Asia upon termination of the war with Japan," when the balance of power changed to leave America filling the vacuum left by Japan. As Miss Dean puts it:

"To the casual reader of newspaper headlines it may have seemed, since VJ Day, that Russia was encroaching further and further on its Asiatic neighbors. Yet a dispassionate examination of the historical record shows that the Soviet Government has so far, at least, been merely retracing the paths of Russian penetration in the Far East blazed for over 50 years by the Tsarist Empire. It is not so much Russia's position on the Asiatic mainland which has changed, as it is that the United States, for the first time in its history, has emerged not only as an interested party but as an active participant in Far Eastern affairs. While to us Russia's attitude toward the Chinese Communists, its relations with Outer Mongolia, its policy toward Manchuria and Korea, may seem to constitute a threat to our interests, the stake we have acquired in the Orient as a result of the war may seem equally menacing to the Russians."

From the Soviet viewpoint, she maintains, the future of Japan is a matter affecting its security, and Russia fears America may leave intact the elements who waged war before or even use Japan as an air and naval base against it.

In China, Miss Dean contrasts the open intervention of the United States which had the effect, "unsought though it may have been, of consolidating the position of the Central Government," with Russia's careful abstention. "By deciding on unilateral action in China," Miss Dean says, "the US, as in Japan, avoided the innumerable complications that might have attended an attempt to reconcile its interests with those of Russia...."

It is in Korea that Russian and American methods have come into sharp focus, and Miss Dean describes the far less popular approach of the United States to such problems as opposition elements, land reform and Japanese personnel and property. The United States, she says should fear Russian propaganda more than its military or economic power and should combat it by deeds showing its own interest in Asiatic people's welfare and progress. "To the extent that the United States becomes identified in the mind of Asiatic peoples with the excesses of colonial rule which they are combatting," she concludes, "to that extent this country will be the loser, even if Russia does not win by our default."

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Ordeal Of Peita Student Revealed

(This article was written for the Review by a foreigner in Peiping who wishes to remain unidentified.—Editor).

THE torture recently of a young Peita University student by Government operatives in Peiping received very little publicity in China or abroad—a fact which may be of interest to students of current affairs in this country.

The story may have been suppressed in the Chinese newspapers. It is harder to find a reason for the attitude shown by American correspondents. Fellow students of the boy who was tortured went to some trouble to make the case known among people who might publicize the facts, yet only the Peiping correspondent of the *New York Times* (as far as this writer knows) filed a story.

Judged by the many stories filed recently about Communist atrocities against Chinese and foreigners, the story did not lack news interest—normally the only measurement used to decide whether or not a story is worth sending. And in this case the story could be gathered at first hand, for the victim of atrocity was available for interview in a hospital ward.

Teng T'eh, the student involved, is 22. He is majoring in political science at Peita and is in his sophomore year. He is the son of a Szechuen farmer, and because he is poor he did various part-time jobs to support himself. One of these was in the library of the Student Christian Center. He edited a school wall newspaper named *Torrent*, an organ of the militant North China Student Federation. He is well-known and well liked.

Teng has stated repeatedly and emphatically, under torture and since, that he is not a Communist. Professors and students who know him well support this statement. They go further and say they don't think he is pro-Communist.

Teng was arrested on February 3, by plainclothes police while he was, walking to class He was hustled into a car and blindfolded, and after a short drive he was transferred to another car. When the bandage was taken from his eyes he was in a room in what he judged to be a small house.

That evening four men came to question him. They asked him if he were a Communist, and he said he was not. He was slapped. They then asked him whether the Student Christian Center and the North China Student Federation were taking orders from Communists, and he answered that he did not know.

His questioners then asked him to name students and professors at Peita who were Communists or markedly pro-Communist. He said he didn't know any Communists as such. He was then tortured.

Three methods of torture were used. The first was the "water cure," a torture widely used by the Japanese during the war. Water was forced into Teng's mouth and nostrils until his stomach was distended. A chair was then brought down sharply on the swollen body. This was repeated a number of times between questions.

A torture which the Chinese call Tiger Bench was tried next. Teng was sat on a chair and his thighs were strapped to the chair's seat. His feet, tied at the ankles, were placed on a pile of bricks in front of the chair. The pile was added to until the boy's heels were forced higher than the line of his rigid thighs.

After this he was suspended by the hands and beaten. These tortures were applied for three or four hours, but Teng evidently wasn't able to give answers his questioners considered satisfactory.

On the evening of February 5, the prisoner was blindfolded again and removed to prison. There he was given two meals a day—bread and cabbage and rice and cabbage—and the questioning was continued. He was slapped frequently but was not tortured again. He was offered freedom if he would consent to act as a police informer on the Peita campus. He refused.

Meanwhile Peita officials, urged on by students, were insistently demanding Teng's release. It was felt generally that the boy had been wrongfully arrested; but more than this, it was known that Teng was in poor health when he was seized. The college authorities, of course, were not aware that he had been tortured.

On February 17, he was released on bail and sent to the Municipal Hospital. Visitors were shocked at his appearance. A few days later he was allowed to be moved to the Peita Hospital and was still there at the time this was written. Although watched, he has been allowed to have visitors and has received as many as 50 a day.

Teng has said that he fully realizes the consequences his free disclosure of the way he was treated might have; he knows that probably he will be moved back to jail when he is well enough. He said he felt that the facts should be known, at whatever cost.

No date has been set for his trial.

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A Visit To Kim Ir-sen

B. Perelmuter

(Special Correspondent, Stalinsky Sokol, Moscow)

(The following article, obtained from Tass, the official Soviet newsagency, was written by a Russian newspaperman who recently visited North Korea. His observations, although limited in scope, are worthy of note in view of the increased interest in Korea, Japan's former colony which, divided arbitrarily at the 38th parallel by the United States and Russia, is another point where American and Soviet interests clash.—Editor).

Moscow, March 2 (by cable).

SKIRTING Kanko, situated several kilometers inland from the coast of the Sea of Japan in the Sengchengang River delta, we soon crossed the most difficult and dangerous section of our itinerary—a chain of wild and sinister snow-capped mountains. The plane flew at a considerable altitude but our impression was such that the fuselage would rip along the pin-pointed peaks of the range any minute. But soon the plane began to descend, and in a few minutes we taxied along the runway of the airdrome.

Before making the acquaintance of Pyongyang—the political, administrative and cultural center of North Korea—we decided to visit the ancient mount of Marambon where, in a small house with upturned eaves, is located the historical museum.

Huge Plaques

Inside the museum, our attention was first drawn by huge plaques the height of the entire wall, commemorating the great democratic gains —decrees on the confiscation of the land of the Japanese and Korean landowners and their transfer to the free use of the people, on the nationalization of industry, on labor conditions, on the de-feudalization of women, on the court reform and other acts of the People's Committee of North Korea.

A large section is devoted to the guerrilla activity of the leader of the Korean people's liberation movement, now People's Committee Chairman Kim Ir-sen. We saw the arms with which the detachments he led routed the frightened Japanese. Among the latest in modern arms—automatics and self-loading rifles, seized from the enemy—several pistols are displayed which were manufactured by Kim Ir-sen himself. Numerous documents tell of the cunning to which the Japanese resorted to capture the guerrilla leader. But the bloodhounds sniffed in vain, and in vain did the Japanese continually increase the reward for whoever captured Kim Ir-sen dead or alive.

Kim Ir-sen's strength lay in the fact that he was supported and carefully protected by the people—each home was a haven. Later, in conversation with workers, peasants, officials and students, we were to hear scores of stories about Kim Ir-sen's feats, one more legendary than the other.

Soon we had occasion to meet Kim Ir-sen. He was at work, dressed in a blue suit of military cut, strolling about his office and smiling kindly. Kim Ir-sen was speaking of the year just ended.

"In the past year," he said, "North Korea undeviatingly continued to march toward its economic and cultural renaissance. The people's committees, leaning on the activity and support of the masses, struggled successfully for the implementation of the guiding figures of the first national economic plan and government budget for 1947. Factories and plants have been almost completely restored and commenced operations. These enterprises are now working far better than when they were in Japanese hands. Compared with 1946, ore extraction has increased almost twofold, while metal smelting has grown by more than 50 percent. The 1944 production level has already been exceeded. Light industry has also successfully coped with the plan.

"As you know, the feudal system of exploitation and use of the land has been abolished forever in North Korea. As a result of the land reform, the peasantry has received more than 1,000,000 hectares of land for free use." Here Kim Ir-sen named figures and cited interesting examples, offering cogent evidence of the viability of the democratic structure and testifying to the constant growth of the people's welfare in both town and village. The planned cultivated area was achieved in 1947 and exceeded the 1946 plan by 15.6 percent. The gross collection of grain and rice also increased. For the first time in five years cattle herds in North Korea not only did not shrink, but on the contrary, increased.

"Our successes," Kim Ir-sen continued, "are particularly striking in contrast to what is happening in South Korea, in the zone of responsibility of the American troops. There industry is being utilized to no more than 15-20 percent of its capacity, while the army of unemployed keeps swelling. Power stations are standing idle for want of coal and railway transportation is disorganized. The process of the impoverishment and ruin of the peasantry is continuing. While the living standard of broad sections of North Korea's population is daily growing, in the south thousands of people are doomed to death from hunger.

"And here a few comparisons would be pertinent. In South Korea, long considered a rich source of food, one *mal* (a *mal* is equivalent to 7.5 kilograms) of rice costs from 20 to 25 times more than here in the north. There is also a tremendous difference in the prices of rationed goods —they are five times lower in the north than in the south—while our rations are double those of the south in quantity."

The currency reform carried out in North Korea placed a powerful weapon in the hands of the people for the further development of the country's economy and raised the population's purchasing power. Instead of the old, valueless money, the workers of North Korea now possess a full-valued currency.

In conclusion Kim Ir-sen spoke about the forthcoming publication of the draft of the Korean provisional constitution.

Great Gains

"In compliance with the wishes of the people," he said, "a decision was adopted to create a commission under the chairmanship of Kim Du-bon, chairman of the Presidium of the People's Committee, to work out a draft constitution. At present work on the draft of the basic law has been completed and has been published for nationwide discussion. Our constitution, in which the great gains of the working people will be consolidated, will be the foundation for the creation of a united, independent, democratic government of Korea."

REPORT FROM HONAN

Mark M. Lu

(Special Correspondent, The China Weekly Review)

Kaifeng, Feb. 28.

DURING the past several months, the Communists have infiltrated this entire province, and even Kaifeng City, the provincial capital, has been threatened from time to time. General Liu Po-cheng, the Communists' so-called One-Eyed Dragon, has been active in southern Honan where he holds the Tapieh Mountains as his base of operations. General Chen Keng is active in western Honan and controls the Funiu Mountain area; and General Chen Yi is active in eastern Honan, having the flooded area as an operational base.

It may be recalled that in the middle of last December when the last group of UNRRA personnel left Kaifeng, Chen Yi moved westward and occupied Hsuchang; Chen Keng drove eastward and took Loho; and One-Eyed Liu fought northward from his position in the south to capture Chumatien. All these towns are situated on the Pinghan Railway in southern Honan. The three generals finally met and combined forces to attack Chuoshan, also on the Pinghan Railway line. Their purpose seems to have been to take the remaining UNRRA/CNRRA supplies stored at Hsuchang, Loho and Hsiaoyao, as well as to do what damage they could to some 200 kilometers of rail between Sincheng and Minkang.

Recently, Chen Yi has retreated to southwest Shantung, where he may do one of two things; either stay where he is and harass the repairing of the east section of the Lunghai Railway, thus threatening Kaifeng, or he may penetrate into Central Shantung in order to damage the Tsinpu Railway between Hsuchow and Tsinan. Chen Keng has retreated on the west flank of the Pinghan Railway where he intends either to menace the repair work in the south stretch of the Pinghan Railway or to thrust southwest and establish a stronghold on the Honan-Hupeh-Shensi-Szechuen border. A group of Liu's men is still active in southern Honan.

Generally speaking, the military situation in this province has remained quiet during the past two or three weeks.

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WITH the circulation of large denomination bills in this city, and with communications interrupted on the Lunghai and Pinghan Lines, all commodity prices have run amuck. One liang, or ounce, of gold, which cost CNC$16,000,000 last week, now sells at CNC$22,000,000.

According to Chinese custom, all shops reopen on the fifth day of the first moon after the Lunar New Year holiday. However this year many shops in Kaifeng are still closed, nearly two weeks after the usual opening date.

There are 53 types of businesses altogether in the city, and of these only the oil shops, the banks and the cereal stores can keep on doing a normally profitable business — all the others are losing money rapidly. According to the figures of the local Chamber of Commerce, more than 500 shops have petitioned to be allowed to close altogether. The main reason for this epidemic of dying businesses is that the destruction of the Pinghan and Lunghai Railways has interrupted the normal flow of goods. Neither can things be imported, nor can native products be shipped out for selling. Another factor is the raft of taxes and "contributions" which local merchants have to pay.

With Communist-disturbed areas being constantly enlarged, there is less and less territory in which to sell. At present, 129 shops of the 500 petitioning have been permitted to close down by the Chamber of Commerce.

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Will Foodstuffs Continue To Rise?

K. Stone

COMMODITY prices in Shanghai seem to be entering a new phase with the increasingly significant rises in the price of cereals. As is generally known, the price of cereals has always lagged behind those of other commodities. Take, for instance, the index for cereals in 1947. It was only 29,009 times of 1936, while the general index for the same year was 40,253.

In one year, the rise of commodity prices in general has been 1,146 percent. But cereal prices rose 1,480 percent, 23.4 percent over the general rise. Compared with the lowest rise—that of building materials—it was almost twice as high. This situation is reminiscent of that unhappy time when the total collapse of the puppet administration was imminent, and the price of cereals, owing to the low purchasing power of the people and shortages due to the isolation of cities and military levying, was like a wild horse without a bridle. It took off and pulled the prices of other commodities along at a terrific pace. Whether or not this situation is likely to recur is the basis of our present discussion.

Starting December last, the rate of increase of the price of cereals has steadily exceeded that of commodities in general by about two to three percent. Up to the present time, it has exceeded the general index by 99.4 percent, and the "general index without cereals" by 133 percent. In other words, the price of cereals rose twice as fast as the general index, or 1.2 times the rate of other commodities.

Not Seasonal

There are misleading opinions which regard the recent price boom as being simply a matter of seasonal fluctuation. But this is in direct contradiction to the traditional fact that, in the period from December of one year to February of the next, the price of foodstuffs, with the exception of wheat, flour, meat and tea, remains flat. The price boom in cereals during the above period this year is not at all the same in nature or degree as the seasonal rises of other years. Traditionally, the time for rises in the prices of rice, corn, maize, beans, groundnut, vegetable oil, eggs, sugar, salt and wine is not in the winter months at all, but usually around May, June or July. Traditionally, rice does not rise much in the Chinese Lunar New Year season, but this year it did—to the tune of 300 percent!

However, to fully understand the situation, it is important to take the following factors into consideration:

1. Within KMT-controlled areas, especially the cereal-producing areas, the production of cereals shows a continual drop. This is due mainly to KMT policy, i.e. military requisitioning of cereals, the levying of taxes and the conscription of peasants. The number of runaway young peasants is growing daily. In addition, there is a variety of heavy taxes which squeeze the middle-class peasant until he, having nothing more left in the way of capital to lose, often flees too. So it is not unusual nowadays for miles and miles of fertile land which otherwise would be yielding abundant crops to lie idle, deserted of inhabitants.

2. The Civil War is eating into the cereal-producing areas controlled by the KMT. Since last autumn, the greater part of the major cereal-producing areas which lie between the Yellow River and the Yangtze has been turned into a battlefield, and soldiers from both sides are drawing cereal on the spot. The supply to other areas is bound to fall short. Furthermore, should the big northern cities of Mukden, Peiping, Tientsin, Tsingtao and Tsinan be surrounded by the Communists, they will have to depend on cereal from Central China, and a further cut in the available cereal stock will result.

3. The telling effect of abundant quantities of bank notes of high denomination on the market is obvious. This is especially so in the food-producing rural districts. Farmers have lost their faith in CNC notes (as has everyone else), and a barter system has been revived in villages which are not close to cities. Since farmers value commodities more than paper money, they buy merchandise immediately after selling their crops. Thus the bank notes flow back to the cities swiftly, swelling the flood of paper money there.

There are two secondary factors contributing to the recent price boom. These are:

1. The teachers of private schools were paid their salaries in advance for the coming semester this year. The moment they were paid, of course, they bought in necessities for the period to come, the main item of which was, naturally, foodstuffs. The schools themselves did likewise. This was also true of factories and other concerns whose rationing of rice has become a means of compensating the low wages of their workers. This sudden demand would not have affected the market much in ordinary years, but this year the people's "hedging against inflation" worsens an already bad situation.

2. The price index for cereals has been lagging behind during the several price booms of last year, and now there is a natural tendency for it to catch up. This tendency is given impetus by the depletion of cereal stocks of the last harvest for the above-mentioned reasons.

What To Do?

To sum it up: the main causes for the rise in commodity prices are lack of production and currency inflation. These result in a lowering of the purchasing power of the people, who are reduced to the buying of essentials only. This demand, coupled with dwindling supply, results in a rise in cereal prices which in turn adds to the cost of manufactured products. It seems to be an impossible spiral, in which the price of cereals is beginning to take the lead. It is a spiral which must be checked if the country is not to be thrown into chaos. Unfortunately, however, the only way to check it also seems impossible at this late date, that is to stop the inflation of our currency and to increase our production, especially our production of foodstuffs.

NOTICE

The Netherlands Consulate-General at Shanghai, No. 9 Chung Shan Lu Eastern II, (Telephone: 80135/6) is interested in receiving information with regard to the location and to transactions in slabs of Banka tin, weighing 35 K.G. each, which were salvaged by unauthorized persons from Japanese ships sunk by Allied attacks on the coast of Indo-China. The tin in question is the property of the Netherlands Indies Government and since it is liable to be offered for sale on the local market the public is cautioned to refrain from any transactions therein.

Can Rationing Work In China?

P. C. C. Fang (房秉祥)

IN view of the ceaseless increases in commodity prices and thus, the cost of living, the Government decided some time ago to form a National Rationing Board, with various executive agencies distributed in all the provincial and municipal cities charged with the duty of rationing daily essential goods. It will be recalled that small-scale rationing covering such staple goods as rice, flour, edible oil, salt, etc. for public functionaries, teachers and a certain number of other people, was adopted during the war years in Chungking. But such a form of rationing was a sale at officially pegged prices rather than rationing in the proper sense of the word. The rationing system adopted in European and American countries is usually a general rationing covering all the daily essentials and applied to all the people without any discrimination between classes, status, etc. Generally speaking, rationing is usually instituted because of a scarcity of vital materials and inequitable distribution of consumer goods, and it is aimed at maintaining the minimum living cost of the people and stabilizing it to a certain extent. This is doubtless the most constructive and fundamental measure that can be taken to achieve the object of the so-called consumption control or restrictions.

Germany Successful

Among the countries which adopted rationing during the second world war, Germany was the most successful. Surrounded on all fronts by her enemies and with very limited quantities of vital materials in stock, Germany was able to keep going for five years because of her well developed and efficient rationing system. Rationing was also adopted in England during the war. Although supplies of materials became relatively abundant in England after the conclusion of the war, she has been continuing her rationing without relaxation in an effort to boost her domestic production and make up her budget deficit. The English people have been giving unanimous and wholehearted support to this action of their government, with the result that the increases that have been registered in both the general prices of commodities and the living cost indexes are small compared with those prevailing in other countries.

Following are universally recognized principal prerequisites for general rationing:

(1) Control of materials—All the essential goods to be rationed, regardless of the size of the stocks, must be placed under strict control. At the same time, no free market for any category of the goods to be controlled should be allowed to appear. Furthermore, in case of shortages, replenishment must be made from time to time through purchases from abroad.

(2) Procedure—The procedure for rationing must be as simple as possible, as daily necessities are easily stolen and spoiled. If the process is complex, those engaged in the administration of the rationing will be tempted to indulge in such corrupt practices as bribery, squeezing, etc.

(3 Census taking—A comprehensive and exact census is essential to general rationing.

(4) Prices—Prices for rationed goods should be fixed on the basis of the costs, plus a charge for expenses. Because the prices are to be lower than those prevailing in the market, the responsible organizations should not be allowed to add profits to them. In addition, an adequate appropriation should be made out of the Treasury funds as a subsidy because otherwise, supplies will probably run short and even cease as soon as the manufacturers and sellers refuse to continue to supply for fear of incurring losses.

Psychological Factor

From the recent price fluctuations, especially the skyrocketing of food prices, it is obvious that our future market tendency will no longer be the choice between the American and English goods, but the acquisition of such daily essentials as foodstuffs and clothing. If the prices of other things continue to go up, the people can manage to exist without them. But further advances in food prices are bound to intensify the fear of the people that their life will be threatened in an even more serious manner. This psychological factor will give rise to competitive purchases of foodstuffs by the people in general, and competition, in turn, will undoubtedly result in an even less equitable food distribution than there is at the present time. This is, indeed, a problem which should be tackled by means of rationing.

Rationing in proportion to the population is not only a fair, but also an economic, way of distribution and is the best solution to the food problem. For under the rationing system, the rich people are not allowed to buy any rations in larger quantity than the poor people. It is therefore apparent that rationing is also a method capable of moderating class conflicts. This explains why the people in general advocate that general rationing be adopted in China.

A Legacy

The rationing system in China is a legacy from war years. It should be remembered that the rationing adopted in Chungking was an experiment; it was confined to this one city and benefitted only the Government employees, teachers and a small portion of other people there. The impression this measure made at that time was not a satisfactory one. Although prices were stabilized, qualities became even worse, e.g., the rice obtained as a ration was usually a mixture of rice, husk, unripe grain and sand. It should be pointed out here that the rationed rice supplies at that time came mainly from the grain levied as taxes. The grains for rationing this time will be supplied largely by the United States, though part of the requirements will have to be met out of our own grains collected through food taxation. It is reported that the amount of rice and flour we will receive from the United States will be sufficient for four months' ration. For this reason we believe that the forthcoming rice ration will not be as bad as the pegged price rice rations in Chungking, and this point should be emphasized by the administrators of the rationing program.

In view of the material shortages and technical difficulties, we believe that it would be impractical to expect too much in quantity and variety of the rationed goods. As a result of eight years of armed resistance, not only has the difference between the rich and poor become considerable, but also the national financial situation has grown very serious. Confronted with these difficulties, it would seem wise for the Government to confine the application of any emergency relief measure, such as rationing, to Government employees, teachers, students, workmen, the old, the weak, the poor and the disabled; for, if only the minimum living cost of those

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with smaller purchasing power is maintained, then our present crisis can be tided over without much difficulty. We are not opposed to the adoption of nationwide rationing; we simply think that, limited by difficulties, the Government is not in a position to do so. However, if well applied, even relatively small scale rationing will serve the purpose of stabilizing the living conditions of the people.

It is reported that the rationing program will be launched within this month in the five major cities; Nanking, Shanghai, Peiping, Tientsin and Canton. The rationed goods will be confined to the daily essential foodstuffs, especially rice and flour. If the test rationing, which will not exceed a four months' period, should prove successful, the rationing of foodstuffs will be extended throughout China.

It is generally believed that the forthcoming foodstuffs rationing, though confined to the five big cities, will not only increase the food supplies of these places, but will also lighten the heavy burdens of the agricultural districts. If the program is successful, the living conditions of the people will thus be benefitted, and simultaneously commodity prices will also be steadied. Inasmuch as it is the first time that China has tried to introduce nation-wide rationing, caution is essential, especially in regard to the quantity, quality, prices and periods for the rations. If the plan is not reasonable or uniform in all of these factors, the vital needs of the people cannot be met in a satisfactory way, nor can the frenzied market fluctuations be checked as a consequence.

Many Hazards

Should the rationing program not function properly, numerous ill effects would be inevitable. For instance, some people may not be able to obtain ration coupons; some other persons may find it impossible to get rations with their coupons; and the rations obtained may be insufficient.

In conclusion, we believe that as long as the war continues, it will be impossible for the Government to meet the huge war expenditure by financial means alone. It will have to resort to note issues. Since almost every intensification of inflation is accompanied by price rises, we are confident that rationing, properly conducted, will at least serve to lessen the seriousness of such a vicious cycle.

The people have been longing for the materialization of an appropriate rationing program and obviously their support for this measure is unquestionable. The only question is whether or not the Government will be able, through a healthy and powerful structure and efficient and clean personnel, to make this system function well for a sufficient period of time.

The Week's Business

DURING the week starting March 10, to March 17, market movements observed in Shanghai and its hinterland showed obvious further deterioration. Prices went up, whereas the Central Bank's official exchange rates remained unchanged until last Wednesday. In other words, if calculated at official exchange rates, commodity prices showed drastic increases in terms of foreign exchange.

By the middle of March, compared with the beginning of February, the Central Bank's foreign exchange rates had been hiked by 63 percent. One realizes the rapid deterioration when it is remembered that during the same period, prices of locally manufactured textiles increased between 120 percent and 200 percent. Imported basic materials needed by China's large textile mills, increased in price by 100 percent to 200 percent, while general overhead expenses gained around 50 percent during the same period.

With prices increasing, it is logical that the face value of dishonored checks, too, would increase. This indeed was the case: during the week ending March 10, the face value of dishonored checks, according to figures released by the Shanghai Bankers' Clearing House, totaled CNC$697,113,347,887.30. This figure indicates an increase of more than $181,000,000 above the face value of dishonored checks during the week before.

While reports from black markets showed that quotations there continued to be far above official exchange rates, the money market became tight. According to semi-official explanations, this was attributed to the fact that operators and investors preferred to act in outports rather than in Shanghai. Prices in Hankow, Chungking and other interior centers were reported to have offered capitalists better prospects. The local, private interest rate, therefore, went up to 29 percent per month, compared with about 24 percent at the beginning of the month. It rose to 35 percent by last Wednesday.

That the reason given above is correct is doubted, for movements on Shanghai's stock markets proved that speculation was interested in Shanghai stocks. Prices jumped on both the official Stock Exchange and the curb exchanges, with Wing On Textiles reaching CNC$1,773, last Wednesday compared with CNC$-1,280, on the previous Wednesday. On the curb exchange, Wheelocks went up to more than CNC$5,000; this price indicates a gain of around 150 percent within four weeks.

Meanwhile, The Central Trust started what has been termed "the purchase of exportable raw materials at officially fixed prices." In fact, the price fixed for tung oil (CNC$6,500,000 per picul) corresponded to the general market quotation; below that price, the Trust certainly would have been in no position to obtain any cargo locally.

Contrary to previous methods which have met with strong criticism, the Trust announced that it does "not contemplate sending agents to producing districts in order to purchase directly." Exporters are free to buy from producers and to ship their cargo to Shanghai. Previously, the Trust used to buy in the interior, ship the cargo to Shanghai to handle the whole business and then ship it directly abroad. That Zaibatzu system is said to be out of the picture at present.

During the week under review, rumor had it that contrary to various denials the Government does contemplate a new import and foreign exchange system. The *Ta Kung Pao* even carried a story to the effect that the Export-Import Board is drafting a plan for the utilization of foreign exchange owned by private firms and deposited abroad. Businessmen remained unimpressed and sceptical. They remembered that similar news had been published several weeks earlier but had promptly been denied by official spokesmen.

With commodity prices increasing rapidly (the wholesale index for the week ending March 13, showed a 20 percent increase according to the China Institute of Economics, but a more than 25 percent increase according to other sources), businessmen believed that when and if reforms of the present trade system are contemplated which will really alter the situation, they are to be very radical indeed.

Quotations

Stocks	Mar. 9 CNC$	Mar. 17 CNC$
Wing On Textile	1,280	1,773
Mayar Silk	2,460	3,480
Commercial Press	510	740
Wing On Co.	455	585
Ewo Cotton	1,530,000	1,870,000
Bond C	106,000	104,000

Commodities	Mar. 9 CNC$	Mar. 17 CNC$
White Rice, first	3,700,000	3,450,000
Wheat Flour	1,480,000	1,440,000
Peanut Oil	6,950,000	7,700,000
Raw Silk "C"	260,000,000	285,000,000
Jap. Rayon	201,000,000	208,000,000
Cot. Yn. (42)	162,000,000	177,000,000
Cot. Yn. (20)	89,000,000	96,000,000
Caustic Soda	97,000,000	100,000,000
Koo Pan Soap	4,920,000	5,880,000

NEWS OF THE WEEK

Communists On The Offensive; Cold War Is Getting Hotter

COMMUNIST troops were on the offensive on all fronts last week and, according to *Reuter*, the National army on March 13, experienced one of its blackest days in the 20-year-old Civil War when reverses were reported from four widely-scattered war fronts.

In Manchuria, the Nationalists lost Szepingkai and evacuated Kirin, thus leaving Changchun the only remaining major Government bastion in Central Manchuria. Meanwhile strong Communist forces are reported to be massing around Changchun. It is said that five divisions under Lin Piao had come from Kungchuling and Kuochiatien, 30 and 50 miles south of Changchun, respectively, and that further columns were moving up. Government garrison forces were concentrated at strategic points as the populace prepared for siege. Latest reports indicate that the Red spearhead is only 15 miles southwest of the city.

Observers say if the Government decides to hold Changchun at all costs, it would be for the sake of morale and prestige, as the city has lost strategic value from a military point of view. After the fall of Szepingkai, the Nationalists will have to fight hard to beat a retreat from Changchun. Military quarters are inclined to think that the Reds, instead of trying to attack the city itself, might establish lines to check any Nationalist attempt to fight their way southward.

According to reliable information, to blast open the Peiping-Mukden Railway is not an easy job and heavy Government reinforcements are still massed at Chinchow. Manchurian General Ma Chan-shan warned that "without immediate large-scale American military aid, Manchuria will be lost in five months" and a Communist force of 2,000,000 will snowball down the length of China. He told the *United Press* that "once Manchuria goes, North China will be unable to offer effective resistance. Once North China goes, the whole of China will be in danger of collapse. As a military man I will sign my name to it."

In west Honan, Communist troops of General Chen Yi and General Chen Keng stormed into the railway city of Loyang, March 13, after five days and nights of fierce attacks and are now engaged in hand to hand fighting in the streets. The main forces of the garrison are reported to have formed several pockets in various sections of the city to hold the Communists at bay, pending arrival of reinforcements. The garrison commander in a message to the Central Government proclaimed his determination to fight to the "last man."

In Shantung, the Communists have captured Chowtsun on the Tsinan-Tsingtao Railway and are now threatening the outposts of Tsinan, Shantung's capital. The renewal of large-scale Communist operations in Shantung after a lull of three months is held by pro-Government quarters to have the aim either of recapturing the Communist old base in the Yimun Mountains in the heart of Shantung, or again disrupting the northern stretch of the Tientsin-Pukow Railway and isolating the Government's main Central China base at Hsuchow.

In Anhwei and North Kiangsu, the Reds also have scored some small gains. As the result of the savage fighting now going on in North Kiangsu, the situation on the coast was very tense.

* * *

US Advice Essential

IN view of the rapid deterioration of the war situation, Dr. Sun Fo, President of the Legislative Yuan, stressed that "foreign advice on a high level to our army is not only feasible but highly advisable." According to Sun, many of China's army commanders were trained under the Japanese system, which is patterned after the German, and both of which are obsolete. It will be recalled that proponents of greater assistance to China in the United States have suggested that the program must include American advisers to help direct the war against the Communists. Sun Fo is the first highly placed Chinese Government leader to support the contention in public.

In Washington, Representative Charles R. Clason introduced a bill March 8, to send US$500,000,000 in military aid to China. He suggested that the US promptly supply China with arms, ammunition and other military equipment "in such quantities as necessary to insure a prompt end to the present Civil War and to maintain internal peace thereafter."

Well-informed circles in Washington predicted that Congress is most likely to adopt a three-point military program aimed at ensuring Generalissimo Chiang Kai-shek's victory over the Communists. This would include: (1) Furnishing surplus munitions and other war equipment; (2) Cash appropriations for the purchase in the United States of arsenal machinery, chemicals and minerals needed in munitions manufacturing in China; and (3) A change in the directive of the United States military mission in Nanking to permit them to operate in the field.

* * *

Morale Brake

IN a most dramatic and bitter attack against all weaknesses within the Kuomintang—corruption, inefficiency, lack of discipline, incoherent organization, bureaucratic bearing, etc., President Chiang Kai-shek in a speech delivered at the closed meeting of the Central Training Corps on March 1, said: "If you don't reform soon, I will be a captive and you will all be war criminals. We all will be 'White Russians'....Look at our enemies. When they set out to do something, they do it with all their heart, all their energy and in all seriousness. But we! When our men are assigned a job, they put up a signboard and then let it go as a yamen.... You must reform. You must improve. Only then can we win.... Militarily, I assure you that I have absolute confidence. My army is still superior."

This strong speech is described as "the greatest morale brake the Generalissimo has ever posed against deterioration within the Kuomintang." It is said that it inspired several hundred members of the Corps to sign, on the spot, an oath to reform and a manifesto appealing for organization and reform within the body.

Broadening of Government

THERE seems to be considerable confusion regarding American efforts to broaden the base of the Chinese Government. Secretary of State Marshall stated March 10, that the United States today still stands on its recommendation that Generalissimo Chiang should broaden the base of his Government and that whether the Chinese Communists should be included in the Government is a matter that China should determine and it is not for the United States to dictate.

In less than 24 hours, President Truman declared that it is not the policy of the United States to insist on inclusion of Communists in the Chinese Government. The President stressed that the United States did not want the Communists in the Chinese Government or in any other government. He insisted that Secretary Marshall had never recommended inclusion of the Communists in the proposed broadened Chinese Government. He further emphasized that he did not know whether it was ever the policy of the United States to favor inclusion of the Communists in the Chinese Government.

Asked what he meant by broadening the basis of the Chinese Government, Truman said there is quite a difference between liberal and Communist elements. There are a great many Chinese liberals, who have been educated in the United States whom we would like to see included in the Chinese Government.

According to political observers, Truman's statement of policy sharply conflicted with and even contradicted the general and long-accepted view deduced from the President's statement of December 5, 1945. The impression it gave then was that the United States anticipated that the Chinese Government should include Communist representation. Although Truman emphatically denied this line of interpretation, Washington observers are speculating whether the President is attempting to disavow what was once claimed to be his Government's policy, which is now diametrically opposed to the Truman Doctrine to fight Communism on a global front.

"KEEPING HIS EYES OPEN"

Henry Wallace was quick to point out the lack of consistency in President Truman's foreign policy. He said: "The utter folly and hypocrisy of a policy which rightfully protests the exclusion of minority representation from the governments of Eastern Europe, yet declares that it seeks the exclusion of major parties from the governments of France, Italy and China, is obvious." He further described the Truman statement as "a declaration of war on the Soviet Union" and as indicating the hope for an opportunity to exclude Communists from the Soviet Government.

* * *

War—Cold or Hot?

THE cold war between the West and the East is getting hotter and hotter. Great Britain, France, Belgium, the Netherlands and Luxembourg on March 12 approved an unprecedented 50-year draft treaty of military alliance designed to halt the western march of Communism. The pact binds the contracting parties to throw all their military power into battle if any one of them is attacked by outside forces. It is looked upon as the foundation of an eventual western European union stretching from the Arctic to the Mediterranean. It is common knowledge that the pact had the blessing and support of the United States.

Sixteen nations in Europe are meeting in Paris to discuss for the second time the Marshall Plan. It is generally believed that the Paris conference will intensify the struggle between the East and the West.

In Britain, 73 members of Parliament of all parties except the Communists, on March 12, placed a resolution demanding a European union in the fullest sense. The signatures include 35 Laborites and 30 Conservatives, as well as some Liberals and Independents. The resolution demands: 1. The establishment of immediate steps to create a Western European political union "strong enough to save European democracy and the values of Western Civilization;" 2. An emergency policy to secure immediate and effective cooperation between the countries of Western Europe, and a long-term policy designed to bring into being a federation of Europe; 3. The immediate establishment of a Council of Western Europe, consisting of representatives of the 16 European Recovery Plan countries and Western Germany, to lay down broad lines of common action. The Council would have power to set up permanent international staffs to coordinate the social, economic and defense policies.

In the United States, on March 13, the Senate voted overwhelming approval of the European Recovery Program designed to bolster Western Europe against Communism and chaos. Senate passage followed warnings from Secretary of State Marshall and President Truman that new Communist pressure in Europe has given the international situation a decided turn for the worse.

The measure authorizes $5,300,000,000 in US goods and money for 16 European nations during the first 12 months of the projected 51-month program.

In the opinion of General Marshall, the world situation has reached a "great crisis," while President Truman stated that his faith in the eventual attainment of world peace had been shaken.

Former Secretary of State James F. Byrnes advocated immediate reenactment of selective service and a much larger air force to meet a world crisis that may come four or five weeks from now. He pointedly said: "Mr. Molotov does not understand English but to him action speaks louder than words in any language."

Latest reports from Washington state that the Truman Administration is actively considering new military preparedness plans with the idea of convincing Russia that further aggression would be dangerous to the USSR. The US Joint Chiefs of Staff conferred with Secretary of Defense Forrestal in strict secrecy in order to define the strategic role of the Army, Navy and Air Force in any future war.

Facing the gravest international crisis since World War II, the President is expected to appear before a joint session of Congress to speak on foreign affairs. It is believed that he will make an important speech.

According to well-informed circles, the whipping up of wartime sentiment in the United States is designed by the Truman Administration to frighten Russia and to serve electioneering purposes at home.

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— CHARLES DICKENS.

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The Review's English Lesson—XXIII

What Would You Like?

IN this week's English Lesson we are presenting you with a set of questions which we would like you to answer, cut out, and mail into us. In this manner you can express your preferences for what type of lessons we print. Read over the questions, think about what would be most valuable to you in studying the lessons, mark your answers by encircling *YES* or *NO* and mail us your decision. Thus, we will know for certain what you want and the lessons will be more helpful to you in learning English. Please keep in mind, while answering the questions, that our space is limited to one page of the *Review*.

1. Do you want us to explain and define American slang words and expressions, for example "pass the buck?" YES NO
2. Do you want us to explain and define American idiomatic expressions, for example, "the limb was sawed off while the employer was well out on it?" YES NO
3. Do you want us to explain commonly used newspaper expressions like "hard currencies" and "balance-of-payment?" YES NO
4. Would you like us to devote the entire Lesson each week to the above explanations and definitions? YES NO
5. Do you want us to explain differences between English and Chinese grammatical usage, for example, English prepositions and their corresponding words in Chinese? YES NO
6. Do you want us to give you a complete paragraph each week containing slang or idioms or both and then explain each word or phrase that is unusual? We have done this before in the Lessons. Was it helpful? YES NO

(Answer YES either 7 or 8, not both).

7. Would you like us to answer readers' questions every week? YES NO
8. Would you like us to devote a complete lesson occasionally to answering readers' questions? YES NO
9. Do you want us to explain English translations of Chinese news stories from Chinese newspapers? YES NO
10. Or would you prefer explanations of English language news stories from foreign papers about various occurrences in the news? YES NO
11. Or would you prefer explanations of news stories that deal only with Chinese affairs? YES NO
12. Or would you prefer explanations of news stories of an international nature? YES NO
13. Would you like us to print a complete model business letter? YES NO
14. Would you like us to print a model personal letter? YES NO
15. Would you like us to print the model of any other type of letter? Write below.

    A.....

    B.....
16. Would you like us to print quotations from famous speeches and documents? YES NO
17. Do you find the examples and explanations of American humor helpful? YES NO
18. Would you like a short test at the end of each Lesson? YES NO
19. Or would you rather have a complete lesson devoted to a test at intervals of five lessons? YES NO

Study each question first before you answer it, and only answer YES if you are absolutely certain that it is what you want and will find most useful.

If you would like to write a more complete answer to the questions or if you want something not mentioned above, just add your fuller explanation on an extra piece of paper and attach it to the copy of our questions.

We want very much to know what your needs and preferences are, so don't fail to answer the questions and mail us your reply at the earliest date.

ANSWERS TO LESSON XXII

1. To embarrass.
2. To worry.
3. As if it were true.
4. To challenge or contradict another's statement.
5. One who settles troubles.
6. False.

What US Papers Say

THE pros and cons of the issue of American economic and military aid to China continued to be a chief topic of editorial discussion in the US press last week. Aid to Chinese intellectuals and support of mass education in China were urged in several US editorials.

* * *

Aid—Economic and Military

PLEADING strongly for all-out military aid to Chiang's Government, the *Washington Daily News* (Scripps Howard) asserted: "Send China arms or face World War III, that is the alternative seen by Major General Chennault.... We do not believe Chennault exaggerates the strategic importance of China to the peace of the world and to our security.... To give China US$570,000,000 in economic help without military aid, as the State Department proposes, would be a rathole operation: Munitions and military advisers also are essential."

Looking more closely into the General's urging of military aid, the *Washington Post* observed: "...Chennault escaped questioning in the House Foreign Affairs Committee about his present affiliations. He is now running, in behalf of the Chinese Government, an air transport system which was set up with UNRRA funds. Objectively, he may believe what he said on China aid, for he is a man of character and integrity, yet the fact remains that he is an interested party...."

Taking an aware but inimpassioned over-all view of the China problem, the *Christian Science Monitor* pointed out: "In the current clamor to keep China from falling to the Russians (i.e. the Chinese Communists) by force of American arms, there is.... much election-year politics, much hysteria, much well-meant but not always well-informed impulsiveness.

"Besides the unanswered question as to how American arms can be used effectively by a thoroughly incompetent Chinese Government, there is another important question: do the Russians want the whole of China? Most of expert opinion on this matter holds that they do not. .... Why? Because the Russians well know the colossal difficulties of unifying all China....

"Moreover, the Russians know the strength of Chinese anti-foreignism. That anti-foreignism—which at present constitutes a formidable barrier to effectiveness of American 'aid'—is directed against whatever power is thought to be 'interfering' in Chinese affairs. If American influence were eliminated and Russian influence were substituted for it, the full force of Chinese hatred would be turned against the Russians—and they know it. China's chief defenses may well be the size of her country, the antiquity of her traditions, the stubbornness of her nationalism, the individualism of her peasants."

* * *

China vs. European Aid

CERTAIN US papers took the view that China aid was of secondary importance to European aid. Said the *Pittsburgh Post-Gazette:* Congress should delay consideration of aid for China until the European recovery program has been enacted. The situation in China is too confused to be settled without the most thorough study and review. To do that now would seriously interfere with the ERP legislation—which should unquestionably have top priority."

The *Washington Post* stated that, with the thesis that China is more important to the United States than is Europe, "we profoundly disagree. Surely, a holding operation in China would divert resources that are already limited for the stop-Russia activity that is getting closer with every step that Russia takes in Europe.... In Western Europe there are friends who, if we show resolution and single-minded interest, will band together and create, as only unity in Europe can create, a coalition of opposition forces against Soviet expansionism. To go off chasing the Communists in China when Italy is perhaps in extreme (danger) would be to make the Gallant Knight in Don Quixote seem a model of sanity.

"There is no such obvious Soviet momentum in sight in the Asian continent, no such available coalition.... To scatter our resources at the eleventh hour would be to scatter our brains and give the green light to the Soviet to overrun Europe."

* * *

China's Intellectuals

THE *Christian Science Monitor* (Boston), dealing with "The Chinese Intellectual" declared recently: "If Americans really want to 'aid' China, they will have to give some thought to the Chinese intellectuals. Though constituting only two percent of the population, this class is traditionally the most important in the nation.... and must be relied upon to fill administrative posts, even when generals make policies.

"A classic sign of the approaching downfall of a Chinese regime is the desertion of the intellectuals. This sign is evident today, when an increasing number of professors, students, and assorted intellectuals are openly antagonistic to the Nationalist Government. Among them are to be found a good many liberals who are potentially good friends of the United States, though opposed to American military aid to the Chiang regime."

Quoting the *Far East Survey* as admitting that China badly lacks managerial personnel and needs an American aid program which would utilize the much-needed abilities of the trained classes instead of antagonizing them, the *Monitor* went on to say:

"This newspaper has suggested that help given to Chinese education may in the long run be much the most important. Pearl Buck, writing in *United Nations World*, suggests a concrete US$2,000,000,000 program for support of the Mass Education Movement of James Yen —certainly the most practical and enlightened movement in China today.

"While help on the scale she suggests is highly unlikely, any support given would yield invaluable results in a literate populace, trained in self-help, as basis for a real Chinese democracy."

The *New York Herald Tribune* also urged support for Jimmy Yen's Mass Education Plan, or one similar to it, saying: "In efforts to oppose Communism in China almost everything has been tried except doing something for the Chinese people.... Current proposals for large gifts to the Chinese would be far more attractive.... if they included sizable appropriations to help the Chinese people in Government territory actually win some of the benefits in the way of improved living conditions, health, education and local democracy that the Communists so persistantly promise in this propaganda."

Denying that this idea be Utopian, the *Tribune* pointed to Jimmy Yen's program as being "sound and tested," and goes on to state that "wherever the program has been given fair trial, with strong Government support, the results have been excellent."

The *Tribune* felt that "the cost would not be great.... There have been estimates that US$180,000,000 would be enough to finance the program for a period of threee years, during which time 30,000,000 young people would be trained." And concludes: "Why not do something affirmative about China while a little time remains? Why not attack Communism in China by offering full bowls of rice and good health and democratic government, instead of attacking it with guns alone?"

What Chinese Papers Say

THE Western European Union and American aid for China still drew much editorial comment in the Chinese press last week. The *Sin Wen Pao* sounded a warning against Japan's intrigue.

* * *

Western Europe

THE *Ta Kung Pao* expressed the opinion that the conclusion of an alliance by five countries in Western Europe is unlikely to patch up the differences between the East and the West.

"With the signing of this five-nation pact, the term 'Western European Union' has become a fact. Much credit for this must go to the United States and Britain. Recent developments in Czechoslovakia and Finland have made the United States more positive in her foreign aid policy. The fact that Secretary of State Marshall in a recent speech highly praised British Foreign Secretary Bevin's proposal for the formation of a Western European Union indicates that the United States is going to modify her foreign policy. There can be no doubt that from now on the movement for the Western European Union will have the blessing and support of Washington.

"Although the idea of a Western European Union is backed by the United States, it is Bevin's foreign policy that will be responsible for implementing it. According to authoritative quarters, the ultimate objective of his policy is to build up a third force which will be strong enough to compete with the United States and Soviet Russia, so that the whole world will be divided into three spheres of influence.

"Of course it is impossible to carry out such an ambitious plan at one stroke. In order to induce other Western European nations to join, the treaty will have to leave out for the time being any military clause. As to agreement on economic problems, it is not so simple as it is generally believed.... It is not easy to adjust the economy of Western Europe as a whole. Therefore it is still early for us to be optimistic about the future of the Western European Union.

"The promotion of the Western European Union will encourage Eastern Europe to adopt more positive counter-measures. At the present time when the world has been divided into two hostile camps, the most that can be expected of the Western European Union is a state of continued armed truce between nations."

* * *

U. S. Aid

THE Catholic organ, *Yi Shih Pao*, held Secretary of State Marshall responsible for the delay in American action in extending badly-needed aid to China.

"What is surprising is General Marshall's attitude toward China, which has never changed. It is quite obvious that he still holds the view that the United States should let China work out her own problems, a view which he has held during the past two years. Recently, the cry for military aid to China has become louder and Marshall thought it necessary to make public the hitherto secret Sino-American aviation pact. But it is clear that his disclosure was designed to stop the mouths of those who are clamoring for military aid to China....

"We are afraid that in order to prevent the China Aid Bill from being quickly passed by Congress, Marshall may raise certain harsh demands as prerequisites for such aid. When the proposed US$570,000,000 aid for China was announced, it was rumored that the United States had asked Nanking to open China's inland waterways to American shipping. In his report to the Central Political Council of the Kuomintang the other day, Foreign Minister Wang Shih-chieh stressed that no special strings should be attached to United States aid for this country. It is not difficult for us to see what the Chinese foreign minister was driving at.

"To be frank, we simply cannot understand why Marshall should have been so hard on China. As the result of his failure in mediation in China's internal strife, the Communist bandits have grown in strength. Instead of correcting his own mistakes, Marshall has been giving vent to his anger by becoming sentimental. While this is characteristic of an army man, Marshall should respect public opinion since the United States is a democracy. As public opinion in the United States is for aid to China, how can Marshall persist in his views and leave China in the lurch to be controlled by Soviet Russia?

* * *

Japan

THE *Sin Wen Pao* regarded the Allied policy of controlling Japan as a miserable failure and served warning against Japanese intrigues.

"A *Central News* story from Tokyo stated that according to a well-informed Japanese source, the problem of Japanese peace conference has already been solved piecemeal.... Japanese territory is now limited to the four main islands as provided for in the Potsdam Agreement. As regards reparations, Japanese reparations have already been shipped to Allied nations and it is the hope of the Japanese that the interim reparations will be considered as final. Some war criminals are on trial and others have been released. So the problem of war criminals is about to be closed. Communication and trade between Japan and other countries have been more or less restored.

"The Japanese hope that the Allied nations will each conclude a unilateral peace treaty with Japan and restore their diplomatic relations.

"From this story it can be seen that the Allied policy of controlling Japan has proved a failure. It is due to this failure that the Japanese have dared to cherish such fantastic dreams.

.."With the world situation as it is, it has become necessary for the Western democracies to take precautionary measures against Soviet Russia. However, to be on the alert against Russia is one thing and to build up Germany and Japan is another. There is no reason why the old forces of aggression should be enlisted in trying to prevent new forces of aggression.

"Both Germany and Japan want to find a way out in international conflict. We wish to ask the authorities of the Allied nations to pay close attention to the intrigue on the part of the Japanese...."

The *Lih Pao* raised strong objections to the United States policy in Japan. "The United States has adopted a policy of building up Japan without regard for the future of peace in the Far East. We do not oppose the effort of the United States or any other Allied nations to help maintain the livelihood of the Japanese people. What we oppose is the wrong US policy of purposely building up the economic position of Japan's landlords, plutocrats and militarists under the pretext of maintaining the livelihood of the Japanese people.

"As the situation stands today in Japan, American policy of building up Japan will benefit only the landlords, militarists and plutocrats. And the Japanese people will turn out the losers.

"Japan used to be a small country and yet it invaded China. So there is no guarantee that Japan, now a small country again, will not invade China in the future. At this critical juncture, both the Chinese Government and people should think twice before taking any action. In rmulating any policy, we should not blindly follow the lead of any foreign nation. Much as we are grateful to the United States for her aid to China, we must oppose US policy of building up Japan at the expense of this country."

US Magazine Roundup

Fortune Magazine

IN an article entitled "The Tyrannous Decade" published in *Fortune* magazine for February 1948, Herrymon Maurer reviews Sino-American relations of the past 10 turbulent years. "In all the noisy public debate about China," he says, "one fact has gone unnoticed; for a hundred years the US was interested not just in the.... survival of an ancient race but also in the peaceful night's sleep of generations of Americans. It was only simple prudence to keep this Asiatic arch stone out of foreign hands, whether the country was run by a collection of scholars, an empress dowager, a bunch of warlords, or a party of would-be democrats. This policy of the Open Door—the only long-term foreign policy besides the Monroe Doctrine the US ever had—was cut to pieces in just 10 years, a decade of tyrannous history that has molded US-Chinese dealings into a now-set pattern....

"How did it come to pass that an American Secretary of State, pleading for an anti-Communist program in Europe, could, as he did, balk at taking money that Congress actually wanted to give him to fight Communism in China?" Mr. Maurer feels that the explanation of this seeming contradiction lies partly in the uncoordinated and, at times, illogical moves which the US has made in relation to China since the beginnings of Japanese aggression. This lack of a coordinated US policy, he thinks, was largely a result of the confusion that existed in the minds of Americans as to what China was really like, as well as their preoccupation with a war that was raging on other fronts in which they felt a more personal stake.

Clearly and sharply, he reviews the high points of US-Chinese contacts, political, cultural and military, beginning with the Panay incident in 1937 in which America assumed an "enthusiastic neutrality highly encouraging to Japan." He goes on through the "moral aid" period of 1939-40 which ended with the semi-political loan to China of $20,000,000 in March, 1940, and into the beginning of America's war with Japan.

"The strain of war had increased corruption in China and weakened reform.... Furthermore, the Communist party line on China had changed—Russia's interest in keeping Japan busy with China disappeared when the US came into the war—and changed with it were the reports of prominent journalist sympathizers."

Mentioning the roles played by various Americans in the China war theater, ("some did good jobs, some did poor ones") Gauss, Chennault, Willkie, Stratemeyer, Nelson, Hurley, Wallace, Wedemeyer, Marshall and so on through the list, the author brings us to the close of the war and the Yalta Agreement. "This was the worst blow of all to post-war peace and unity in China. It pulled Russia into the Asia war, permanently detached Outer Mongolia from China, and gave to Russia rights she had seized in Manchuria before the Japanese seized them from her in 1904.... The agreement required China, not represented at the conference, to come to terms on these points with Russia."

Confusion of command, confusion of policy and plans, these were responsible in part for America's failure to act decisively after VJ Day, thus giving the Chinese Communists a chance to equip themselves with captured Japanese arms and fill the "vacuum" existing in North China. "The great chance for the unification of China had passed.... Soon the Civil War began in hard earnest." Mr. Maurer feels that any American efforts toward unification were, from that point on, predestined to failure. He concludes: "For 10 years, the old policy had been scuttled whenever it came in conflict with any other desire or even whim, so that it survived only as a waterlogged relic. The policy was upheld whenever it involved no price.... It was upheld when it involved other countries.... But it was pushed aside whenever anything else came along—whether Russian interests in Manchuria, or American desires to re-do the Chinese Government.

"Behind the last ten years of war, diplomacy, and civil strife lies the centuries-old collision of an antique civilization, forever juvenescent yet always decadent beyond the understanding of younger peoples, with the brash efficiency of the West.... Whether the whole of Asia stands or falls before the impact of the messianic nationalism of Russian Communism, whether the US wins or loses an entire continent ally in its battle for basic liberties—this heavy question hangs on what happened between China and the US during a period of brief but unbearably intense contact.

* * *

Reader's Digest

IN his article "China Builds for the Future," published in the March, 1948, issue of the *Reader's Digest*, George Kent praises the Mass Education Movement of Jimmy Yen as being "what may prove to be one of the significant social achievements of our time."

"The movement," Mr. Kent recalls, "began humbly in France after World War I when a small, sparkling Chinese named Jimmy Yen, a Yale student turned YMCA war worker, got the idea that illiterate Chinese coolies who had been brought to France to serve in labor battalions could learn to read and write.... Why not teach them, not the 40,000 characters of the Chinese language, but a simplified basic form.

"Yen selected 1000 characters from the words they used most frequently, and the coolies learned readily." Once home, Jimmy Yen rounded up his friends and started in earnest to spread literacy in his native country. Quoting Yen's own words, the article continues: "'Our first efforts showed us one thing. To combat illiteracy alone was not enough if we were to succeed in raising the peasant from poverty and misery. There was a desperate need for improved farm practices, for co-operatives which would rescue the peasant from the money lender, for elementary health measures. Beyond these was a goal of which all of us dreamed; to spread an understanding of self-government, of individual responsibility for the welfare of the community.'"

The author describes the bitter opposition Jimmy Yen and his group met from the money lenders and middlemen, who would suffer from an enlightened, literate peasantry. He describes the spread of the movement and the refining of the system of teaching. "On completing a course, men and women joined together in a Fellow-Scholar Association and became leaders in the villages. They shouldered bamboo poles with baskets at either end containing books, and trotted from village to village, exchanging the volumes in the libraries the Movement had established. They became the local 'doctors,' teaching elementary hygiene and sanitation, making sure that each village had one safe well, vaccinating against smallpox and cholera."

In conclusion, Mr. Kent has this to say about Jimmy Yen's Mass Education Movement: "The Movement presents a 'fighting ideology' to combat the Communist ideology of the north. The Chinese instinctively are not Communists. They are too individualistic. The people who have rallied to the Red flag in the north have done so out of despair. Only by attacking the conditions that produce this despair can the wanderers be brought back."

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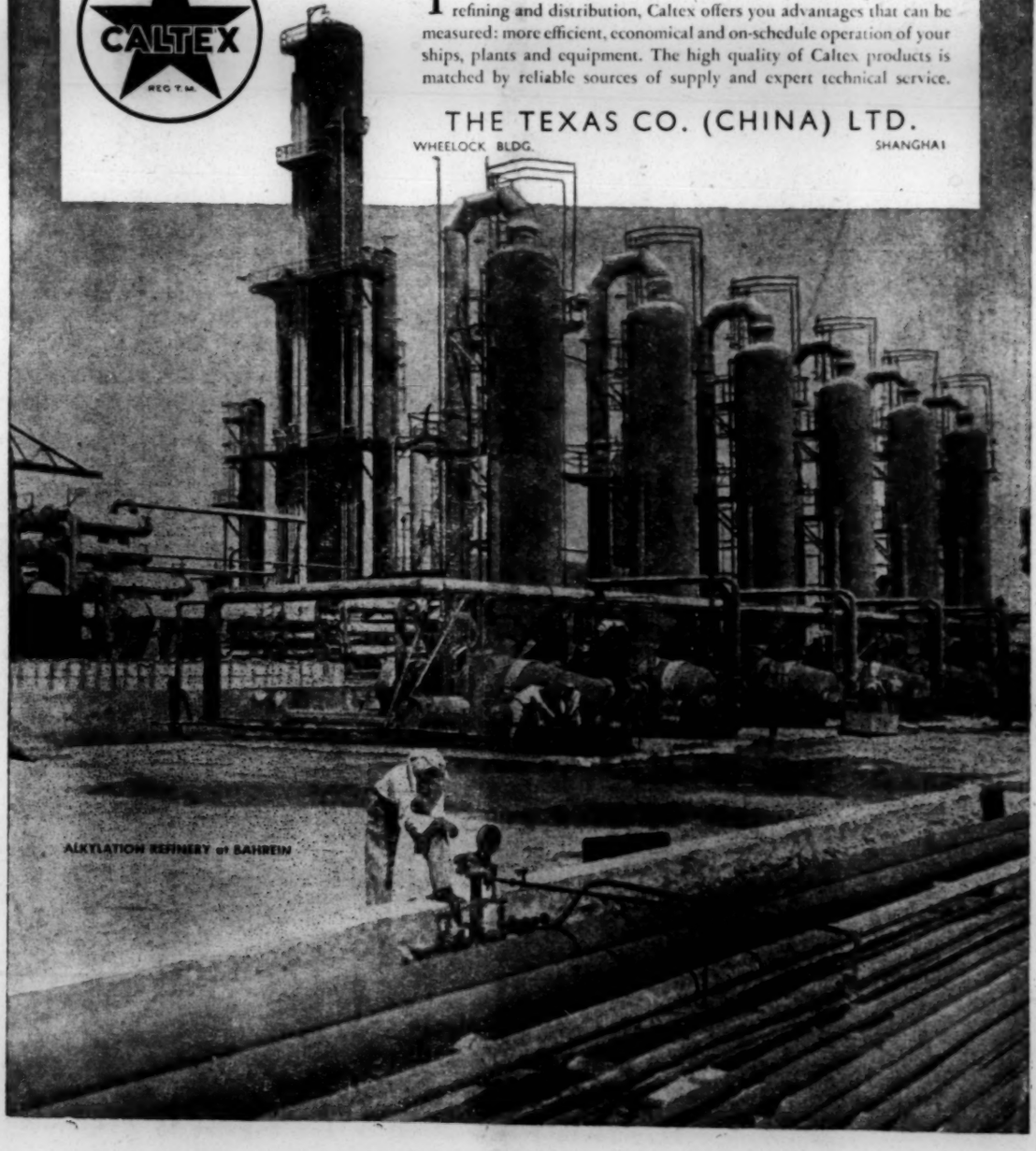

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